Daily Report

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Reportage on Cartagena Summit, Related Activities

Peruvian President Arrives

PA1502152090 Madrid EFE in Spanish 1410 GMT 15 Feb 90

[Text] Bogota, 15 Feb (EFE)—Peruvian President Alan Garcia said today upon arriving in Colombia that the antidrug summit is "a commitment for common work against this scourge that affects mankind."

Alan Garcia, who arrived at the Cartagena de Indias airport at 0820 told reporters that he hopes the "summit" will produce effective and quantifiable measures."

According to Garcia, those measures must "eradicate production, prevent consumption, and should include an effective commitment from the United States to limit the demand." He added that for the first time, the United States will unilaterally discuss a subject of common interest for Latin America.

Garcia will meet with Bolivian President Jaime Paz Zamora, who arrived in Colombia yesterday; Colombian President Virgilio Barco; and U.S. President George Bush, who will arrive today.

Garcia Holds News Conference

PA1502152390 Bogota Television Service in Spanish 1340 GMT 15 Feb 90

[News conference by Peruvian President Alan Garcia with unidentified reporters at the presidential guest house in Cartagena—live]

[Text] [Garcia] I met with some coca leaf growers some time ago and wanted them to participate, if not actively, then as observers in this important meeting.

[Reporter] Will they be able to somehow participate?

[Garcia] I am not aware of the meeting's structure, but I have directly learned about their concerns.

[Reporter] What was the reason for the delay of your trip?

[Garcia] Simply for state reasons. We presidents always have duties to fulfill. What is important is that we are here today, which is the day scheduled for our meeting.

[Reporter] Could you advance the issues that Andean countries expect will be discussed this meeting?

[Garcia] I believe that this meeting attempts to make up for lost time, as the title of a book by Marcel Proust, "A la Recherche du Temps Perdu," suggests. I believe that it is important because it is the beginning of a new relationship between Latin America and the United States. I believe that what is important here—which all journalists should note—is that for the first time, the United States is dealing with an issue in a multilateral way with Latin American countries. I hope that this first step will set a precedent for the discussion of other issues such as foreign debt and international trade. Otherwise, the U.S. dialogue with Latin America would be reduced and limited only to discussing the issues of drug trafficking and cocaine.

[Reporter] Why did you change your position to protest against the U.S. invasion of Panama and decide to come to Cartegena?

[Garcia] Because the United States withdrew the last soldier who was illegally in Panama two days ago.

[Reporter] [Words indistinct] relations with the United States henceforth?

[Garcia] They are not better or worse. We are simply gradually normalizing our relations. [break in reception]....I am here because drug trafficking and the illegal production and trading of cocaine are crimes against humanity. I am here because I have a political responsibility as a Latin American president. [break in reception]...in a multilateral way, but the other issue is something else. We continue to reject intervention, and we continue to reject invasion.

Barco Welcomes Visitors

PA1502164990 Bogota Domestic Service in Spanish 1508 GMT 15 Feb 90

[Speech by Colombian President Virgilio Barco Vargas at the presidential guest house in Cartagena—live]

[Text] Mssrs. Presidents, Madames and Mssrs. Ministers, friends from the domestic and foreign press, compatriots: For centuries, this great city of Cartagena has been the witness and protagonist of great battles and of very important challenges in history. Its firm walls still stand. Approximately 150 years ago, Cartagena was freed forever of those who engaged in slave trafficking. Surrounded by this history, we are meeting here today to enable us to face the challenge of those who try to enslave our peoples; that is, the criminal and international organizations that engage in illegal drug trafficking.

We are currently facing the cruel reality imposed by the scourge of drugs. We Colombians are on the front line. For us, this is not a war of words. We continue to firmly uphold our convictions so that we can defend the very essence of democracy. We will continue in spite of the tremendous burden that we have taken upon ourselves. The deaths of thousands of Colombians have not been in vain.

One year ago, I invited the leaders of the hemisphere to a summit so that at the highest level, we would agree on an international struggle against drugs. Later last year, when I addressed the UN General Assembly, I proposed calling for a special session on the issue of drugs. That special session will be held next week with the participation of high-ranking dignitaries of most countries of the world. These initiatives were necessary because it becomes more evident every day that this battle will not

be won without efficient international cooperation, as this is a world problem and not a problem of just a few countries.

Our struggle is against an international criminal organization that has enormous economic resources and manages a complex multinational operation. There is a chain of criminal organizations of various nationalities that flows from the areas where the leaves are grown in Bolivia and Peru, passes through Colombia where these are processed and shipped, and ends at their final destinations in the cities of Europe and of the United States. These organizations are trying to destroy our democracies and corrupt our youths for the sake of their illegal profits.

We must break that chain. We must offer economic and social alternatives for the peasants who grow coca. We must dismantle the cartels and their drug processing and trafficking structures. We must stop the flow of chemical products from the industrialized nations. We must control the sale of weapons that are later used by criminals to instigate violence. Basically, we must do everything possible to reduce the demand for drugs in the large cities of the developed nations. On previous occasions, I have said that any tactic or strategy is insignificant in the face of the tremendous need to reduce drug consumption. The only law that the narcotics traffickers do not violate is the law of supply and demand.

Most certainly, we have all had to assume high costs because of this scourge. The time is here for our nations to unite so that we can reach common goals. For Colombia, which has had to put up with the high costs of this struggle, success does not depend only on obtaining a little more foreign assistance, but rather on obtaining just treatment for our exports and promoting investments from the United States, as well as the entire international community.

Mssrs. Presidents, to conclude, I want to express my deep satisfaction that you are with us in this land of Cartagena. Narcotics trafficking, which is the topic we will discuss, presents the biggest challenge to civilized societies throughout the world, and therefore, we must jointly confront this challenge.

I am sure that together we can achieve this. This summit is a great step forward in launching a common strategy. Thank you very much. [applause]

Barco Opens Session

PA1502172990 Bogota Television Service in Spanish 1621 GMT 15 Feb 90

[Statement by Colombian President Virgilio Barco Vargas at opening of closed-door working session of the Cartagena summit—live]

[Text] Messrs. Presidents, I am pleased that we are beginning our working session now. Therefore, I invite you to continue, in a constructive spirit of cooperation and realism, to analyze the common problems we must confront so that we may find the best way to join efforts and achieve more specific and positive results.

All of you fully understand the importance of reaching viable commitments. To achieve that, we must recognize the different needs and capabilities of each of our countries, as well as the goals we share.

We are primarily encouraged by our common interest to rid mankind of the scourge of drugs based on a coherent and integrated plan. Messrs. Presidents, you have the floor.

Bush, Barco Issue Communique

PA1502220690 Bogota Radio Cadena Nacional in Spanish 2001 GMT 15 Feb 90

[Report on bilateral communique issued by Colombian President Virgilio Barco and U.S. President George Bush in Cartagena on 15 February]

[Text] Colombian President Virgilio Barco Vargas and U.S. President George Bush met in Cartagena, Colombia on 15 February to reaffirm their decision to continue their struggle against the trafficking and consumption of drugs and psychotropic substances, as well as to discuss bilateral matters.

Both presidents took note of the threats of drug trafficking and stated that it must be confronted with firm decision and be eliminated. They also said that the problem of illegal drugs must be faced by the international community in its different stages of production, trafficking, and consumption.

The U.S. President recognized that efforts to reduce supply must be accompanied by a significant reduction in demand. The U.S. President expressed his admiration for Colombia's leadership in the fight against illegal drugs and praised President Barco's firmness and the example he has set. He also praised the courage and sacrifice of the government, the people, and the military and police forces of Colombia, which in waging this struggle, deserve the solidarity and economic support of the international community.

Both presidents recognized the importance of maintaining proper levels of economic growth and improving areas adversely affected by the production of illegal drugs to achieve success in the fight against drug trafficking.

Toward this end, the presidents agreed to undertake joint bilateral and multilateral actions.

The U.S. President expressed his government's resolve to consider avenues that would further open the U.S. market to Colombian products. The presidents took note of the Andean trade initiative proposed by President Bush on 1 November 1989, which constitutes an important step toward this goal, and they agreed to explore broader possibilities.

President Barco expressed concern over the application of antidumping laws in the case of cut flowers. President Bush pointed out that this issue is currently being reviewed by the U.S. Government. President Barco also expressed concern about the system used to determine Colombia's sugar quota.

The two presidents underscored the importance of successfully completing the round of multilateral negotiations in Uruguay, where the relevance of increased access to Colombian tropical products has been acknowledged.

The presidents agreed to further intensify the process of consultation between countries that produce and consume coffee, with a view toward hastening the negotiation of a new, viable international pact, and they asked the countries that are not members of the pact to support this valuable tool.

President Bush praised Colombia's seriousness in fulfilling its international financial obligations and reiterated the need for international support to allow Colombia to continue to implement solid economic and social policies. Bush confirmed his administration's resolve to study specific Colombian proposals for the acquisition of additional resources.

The two presidents once again pointed out the importance of continuing technical, material, and administrative support programs for employees in Colombia's judicial sector, as well as the continued assistance of security teams and the provision of the essential means to guarantee the safety of employees in the struggle against drug trafficking.

To strengthen cooperation in the struggle against illicit drugs, the two presidents reviewed the progress that has been made in negotiating agreements on essential chemical substances, the distribution of confiscated property, weapon export controls, and the control of other materials used by the drug traffickers.

The two presidents agreed that the Andean summit constitutes a significant step toward coordinating the struggle against drugs and pledged to cooperate with the world conference that will be held in 1991 by the nations involved in strengthening international cooperation in the struggle against the production, trafficking, and consumption of illicit drugs.

On behalf of the Colombian Government and people, President Barco expressed gratitude for the displays of support and solidarity Colombia has received from the U.S. Government and people in its struggle against drug trafficking, and expressed confidence that cooperation will increase in various areas.

Colombian Minister Interviewed

PA1502222990 Bogota Radio Cadena Nacional in Spanish 2106 GMT 15 Feb 90

[Interview with Colombian Foreign Minister Julio Londono Paredes by unidentified reporters at the presidential guest house in Cartagena—live]

[Text] [Reporter] The members of the Cabinet have left, and we will try to approach Foreign Minister Julio Londono Paredes, if his bodyguards let us. He will obviously not give a statement before President Virgilio Barco gives his, but he might give us at least a preliminary idea of the prevailing atmosphere. Foreign minister, a second please. We are broadcasting live via Radio Cadena Nacional from the presidential guest house and we are linked with Bogota. Are you satisfied about the exchanges that have taken place here, Mr. Foreign Minister?

[Londono] Yes, I believe that it has been an interesting meeting. For the first time, countries like the United States, Bolivia, Peru, and Colombia are acting in a coordinated way to counter specific problems like the drug trafficking problem, but essentially from a multilateral point of view that does not simply consist of repressive action. Quite the contrary, the heads of state have clearly discussed the exisiting problems and the need for adequate economic cooperation.

This economic cooperation should be interpreted as a reasonable and favorable attitude toward products derived from the soil and subsoil of our respective states. It should also be interpreted within the context of a social problem that [words indistinct]. It was an unambiguous meeting in which each of the heads of state stated their opinions and points of view.

Consequently, I believe it is a positive step and represents a change of attitude by the United States, which views things from another angle, from another point of view. Three countries—Colombia, Peru, and Bolivia—have stated their positions, points of view, requirements, and their ideas related to the countries' concerted efforts within this context.

[Reporter] What is next? Will the embargo on flowers be lifted? Will military actions be increased in each country? What specifically is the next step?

[Londono] Nothing about increasing military actions; it is not a point that has been discussed in any way. Instead, there is the willingness—as you have seen in the communique that was signed by the United States and Colombia—to analyze, study, and try to settle the internal problems that have arisen. This not only includes the flowers problem, but other natural products as well. Also, each of the Latin American heads of state have voiced identical concerns to the U.S. President.

[Reporter] Specifically speaking about Colombia, Mr. Minister, what have we achieved in the summit with the Bolivian, Peruvian, and U.S. presidents?

[Londono] The idea was not for everyone to get a quota or specific concessions. That was not our intention. However, it is evident that the United States has stated its willingness to participate and help achieve solutions in the economic sector related to the drug trafficking problem. That is an important step taken by the United States, not to mention other aspects that are equally important. Naturally, all this is based on exclusive and full respect for the sovereignty of each state within its respective jurisdiction. This does not mean that we will not coordinate efforts or achieve agreements on certain issues; this will naturally be done with absolute independence and respect for each state's sovereignty.

[Reporter] Thank you, Mr. Foreign Minister.

[Londono] My pleasure.

Leaders Give News Conference

PA1602010690 Bogota Inravision Television Cadena 1 in Spanish 2130 GMT 15 Feb 90

[Joint news conference by Colombian President Virgilio Barco, Peruvian President Alan Garcia, Bolivian President Jaime Paz Zamora, and U.S. President George Bush with local and foreign reporters at the presidential guest house in Cartagena—live]

[Text] [Moderator] We respectfully ask Colombian President Virgilio Barco to please begin the press conference.

[Barco] The multilateral agreement we have just signed opens a new era in the struggle against drug trafficking. It is the first time that we have agreed on a common plan to conduct future actions. We have not only agreed to walk along a clear and well-defined path, but we have also agreed on the need to adopt trade measures to strengthen our economies to face the drug problem in all its scope and magnitude.

I am personally very pleased with this meeting, because the progress we have made today is compatible with the overall policy that the Colombian Government has been advocating. This summit has undoubtedly been a success. I want to thank each of my fellow presidents for having spoken so frankly during our discussions.

Before beginning this news conference, I wish to deny rumors regarding alleged negotiations with narcoterrorists. Those rumors are completely and absolutely false. The Colombian Government's policy has not changed. Our policy is very clear. Drug traffickers must end their illegal trade. They must surrender everything and turn themselves in to Colombian justice. You all know that Colombian law is not negotiable. Thank you very much. [applause]

[Moderator] Thank you very much, Mr. Virgilio Barco, Colombian president. With your permission and that of the U.S., Peruvian, and Bolivian presidents, we will now begin this teleconference. Four reporters will participate in the initial part of this news conference. The representatives of other media, who have been specially invited to this summit, will also ask their questions.

The first question comes from Mark Matthews representing THE BALTIMORE SUN. His question is addressed to Colombian President Barco. Mr. Matthews, please.

[Matthews, in English with simultaneous Spanish translation] Mr. President, the United States recently halted its plan to deploy naval forces in international waters off the Colombian coasts to follow and board ships transporting drugs. Are you or are you not now willing to agree to the resumption of those operations? If not, could you please explain why?

[Barco] The answer is very clear. There are territorial waters that belong to Colombia and cannot be occupied or used without Colombian authorization. There are other waters which cannot be used to board a Colombian ship without due Colombian authorization. The Colombian Defense Ministry is authorized to issue permits, but the law must be abided by, which means that a ship navigating on [words indistinct] waters cannot be attacked.

[Matthews, in English] Sir, my question concerned U.S. naval forces in international waters off the Colombian coast...

[Translator, in Spanish, drowns out reporter] Sir, my question concerned the U.S naval forces in Colombian waters, [discrepancy in translation as heard] My question is about U.S. naval forces in Colombian waters. Are you now willing to agree to carry out those operations?

[Barco] No, it is not necessary. We do not need those operations. Colombian territorial waters are patrolled and controlled by us.

[Matthews] Thank you.

[Moderator] The next question will be asked by Daisy Canon representing the Colombian magazine CROMOS. The question is addressed to President Bush.

[Canon] Mr. President, the big display of security we have seen here for the summit proves that you distrust the Colombian authorities. Perhaps you thought that we were unable to protect you and your officials. It is our turn now to feel distrust. Our country does not trust the cartels that you have in the United States—the consumers cartel and the cartel of those U.S. officials who let themselves be bribed by Latin American drug traffickers. Are you really willing to struggle against those cartels? Your commitment does not seem to be as real as that of our president concerning the struggle against drug trafficking.

[Bush, in English with simultaneous Spanish translation] First, I do not think I would have come here if I did not trust President Barco and if I did not firmly support his efforts in the struggle against drug trafficking. I would

not be here if I lacked the security needed to guarantee my life. This answers the first part of your question. Second, the struggle against any cartel in the United States... [changes thought] Let me start that question again. Let me start from scratch.

As for your question concerning my lack of trust in the Colombian security system, I would not be here if that were true. I am here, and that is proof of what I am saying. I respect President Barco's efforts in the struggle against drug trafficking very much. I hope my visit to Colombia, along with those of the Peruvian and Bolivian presidents, demonstrate our support for President Barco's actions. The security for the summit has been excellent. I believe that there has been much speculation in our country about the security, which perhaps led you to ask me that question.

Second, I do not know what cartel you are talking about exactly. I owe U.S. children—especially after this meeting with these three presidents—every possible effort to reduce the demand for drugs in the United States, which entails a struggle against any cartel, individual, or person who violates U.S. law or international laws regarding drugs. Is that clear?

[Moderator] Thank you, Mr. President. [preceding sentence in English] Rodolfo Orozco of the newspaper LA CRONICA of Lima, Peru, will ask the next question, which is addressed to Bolivian President Dr. Jaime Paz Zamora. Mr. Rodolfo Orozco.

[Orozco] Mr. President Jaime Paz, one way to end the scourge of drug trafficking is to replace the coca crop in your country and my homeland, Peru. Nevertheless, the coca producers have stated their concern about the future marketing of products that could replace coca. They would like a fixed market and just prices for their new products. Have you reached an agreement with the U.S. President specifying that his country will purchase the products that replace the coca crops?

[Paz Zamora] My journalist friend, referring to the issue you have just mentioned, allow me—before specifically answering your question—to tell you my impressions upon conclusion of the Cartagena summit. I believe that regarding the struggle against drug trafficking, in Cartagena we have started what you might call perestroyka, even though [laughs] I would not dare say that we represented the role of Gorbachev at the meeting. It is true perestroyka in the sense that we have reassessed many things, particularly the concept we had not very long ago on how we should confront the problem.

I believe that we have all changed, meaning that it has been a process that has led to Cartagena, in which all the presidents and countries worked with our collaborators to fully understand the true magnitude of the problem and how to confront it. Within this context, I want you to know—and you will see it in the document that we have signed in Cartagena—that the first part of the document talks about the need for alternate development to counter the problems created by the excessively large coca production.

In other words, we have clearly stated that this is not a matter of systematically replacing a hectare of coca with a hectare of cacao. It is an entirely different concept from the coca economy. We must encourage alternate development that generates an alternate economy. It is assumed that this will be an economy with the capacity to efficiently and competitively enter the international market.

Thus, to answer the question you have just asked, it will probably involve only two or three products; for example, coffee and sugar, which have specific quotas in the U.S. market. However, the goal is alternate development, which would produce an alternate economy to the coca economy in our countries, in my country. However, it must be an efficient and competitive economy that does not need a subsidy from the international market, because it must be a collaboration or investment to replace...[corrects himself] to achieve an alternate economy that allows a sound and competitive economy in the international market. You must realize that this is a different way to approach the problem, not quite in the same terms as a few months ago.

[Orozco] Thank you very much.

[Moderator] This is the fourth and final question. It will be addressed to Peruvian President Alan Garcia Perez. The question is from Hugo Sabogal, reporter for the Bogota newspaper EL TIEMPO.

[Sabogal] President Garcia, your responsibility as president of a country that produces large quantities of coca leaves is apparently double-edged—first, regarding a people which for milleniums has been culturally and historically dependent on this product and, second, you are responsible for humankind's welfare because you yourself have said that drug trafficking is a crime against humanity. I want to ask you if, within the context of what you have said at this summit, you have been faithful to these two positions.

[Garcia] I believe this meeting is important. Taking the title from an ancient French work, we are searching for lost time. After a long time, we are now completely reinterpreting and reformulating the problems of drug trafficking and the illegal production of coca leaves. Therefore, I believe that at this meeting we are opening a different chapter, not only in the struggle against drug trafficking, but in Latin America's relationship with the United States.

In the document we have signed, we completely reinterpreted the manner in which we should wage the struggle against drug trafficking. The document is a comprehensive and economic interpretation which, for the first time, acknowledges that drug trafficking is an economic aspect of our relations, and that the struggle against drug

trafficking will require compensation for the global disorder that it could cause our economies. This document also acknowledges that the need for substitute crops should be supported by consumer countries.

Upon assessing our responsibilities as producers, we have pledged to struggle on an economic-productive level, as well as on a legal-restrictive level. I believe, however, that the most important aspect of the Cartagena meeting has been that for the first time, we have met with the President of the United States to multilaterally discuss one of the many Latin American problems that unite our hemisphere. Just as Colombia, Bolivia, and Peru are meeting with the United States to discuss a problem that has been described as a U.S. national security problem, I am certain that this meeting marks the first chapter in multilaterally handling Latin America's problems and its relationship with the United States.

I hope, Mr. President, that we will have occasion to meet multilaterally to discuss problems, such as the foreign debt or our countries' commercial ties. I believe that this meeting opens a chapter of multilateral relations between Latin America and the United States. We are overcoming bilateral relations, which for so long delayed the solution of our problems.

In response to your question, I am very pleased because we are recovering lost time, because we have a new interpretation, and because we are fully assuming our responsibilities. As we said during this morning's conversations, we pledge to struggle, even though we are poor developing countries. The United States of America understands that by contributing and helping, it more than helps, it actually invests in its own future, in view of the economic disorder that the cocaine trade has also created in that country, even affecting the future of its youth.

I believe that a decisive step has been taken in Cartagena. It matters little if we make prompt or rapid progress with the drug issue. What matters is that we have begun to discuss our hemisphere's problems on a multilateral level.

[Moderator] The televised news conference will now transfer to the Cartagena de Indias Convention Center, where another four questions will be asked by as many representatives of the media who were invited to this summit of American presidents. Ernesto Rodriguez Camacho will serve as moderator at the convention center.

[Camacho] Thank you. The question is for Colombian President Virgilio Barco. It is from (Jorge Iskiriga), from the DIE DEUTSCHE ZEITUNG, of the FRG.

[(Iskiriga) in English, with simultaneous Spanish translation] Mr. President, in your welcoming remarks this morning, you mentioned that the problem of drugs is a problem of the world community. It affects North and South America and Europe. From diplomatic sources in Europe, I have received information that at an early stage, European countries wanted to take part in this summit but [words indistinct]. Why was it not possible for any European country to participate in this summit?

[Barco] The answer as to why European countries did not participate in this meeting is that such participation was never proposed; it is not logical to mix different concerns. Whenever Europe wishes to talk with us Latin Americans, it would be a great pleasure for us to agree to a meeting with European journalists.

[Camacho] The following question is for President Jaime Paz Zamora from Javier Baena, president of the Foreign Press Association and representative of the ASSOCIATED PRESS.

[Baena] Mr. President Paz, in Colombia there are influential leaders who believe that the strategy of repression against drug trafficking has failed and are calling for political solutions, such as a dialogue with drug traffickers. What is your opinion on this? Would you be prepared to try it in Bolivia?

[Paz Zamora] Based on my political vocation and my ideology, I am personally prepared to talk with everyone. However, concerning the specific case we are now discussing, it is evident that we have met in Cartagena on the basis of the four presidents of the four countries having agreed that what now has to be done is to confront drug trafficking as a threat to mankind. Therefore, in the context of this meeting, I would say that there is no room for proposing dialogue. That is, we have not met for that purpose. We have met to coordinate a common and integral effort to fight drug trafficking, which is viewed as a scourge of mankind, as I have said.

[Camacho] Thank you, Mr. President. This question is for U.S. President George Bush, from (Tan Huoc Hua) of THE HONG KONG HERALD.

[(Tan Huoc Hua), in English with simultaneous Spanish translation] Mr. President Bush, you give all manner of military and material assistance to South American countries. Do you not consider this a type of intervention in the internal affairs of other countries? Why do you not [words indistinct] other countries to form some kind of independent international organization to provide assistance, rather than a single direct involvement?

[Bush, in English with simultaneous Spanish translation] I do not agree with the gentleman. He has asked me if I agree with intervention in the affairs of these countries. I think that is absurd. You heard President Garcia salute multilateralism in his welcome to the summit. You heard President Barco this morning calling it an unprecedented agreement. I beg your pardon, President Paz Zamora called it an unprecedented agreement, and President Barco said that this meeting is the dawn of a new era in the war against drugs. So how anyone can [words indistinct] intervention in internal affairs is ridiculous. What we are trying to do is cooperate through this multilateral force that has become a reality through this meeting, and

we will work at the bilateral level with each country because we have different problems. I hope the United States will always be concerned about the problems of others and try to help, and we are doing it, but this meeting cannot be described as intervention in the affairs of these countries. Two other presidents and I accepted an invitation that was extended to us. I take this opportunity to state my appreciation. This is really no intervention.

[Camacho] Thank you, Mr. President of the United States. This question is for President Alan Garcia of Peru, from Jaime Zamora Marin of Colombia's Toledar newscast.

[Zamora Marin] Mr. President Alan Garcia, our President Barco has just stated that this is the beginning of a new era. President Jaime Paz Zamora has said that some sort of perestroyka has been initiated. You have said that this is [word indistinct] event because there has been a multilateral meeting. What will you tell your people, when you return to your country, about the practical and real results, results that would promote the solution of their main problems? Will you tell the people of South America that there will be changes that they will notice and that this has not been simple rhetoric?

[Garcia] Thank you for your question. First, I would like to point out that the basic issue in this meeting is that we are beginning to tackle the hemisphere's problems at a multilateral level. Most probably—and this is an invitation from me to President Bush—we will continue to do so regarding foreign debt and trade on our continent.

Second, and directly answering your question, we are reassessing the struggle against drug trafficking as a whole, which requires restrictions on demand and consumption, the substitution of crops, and legal restriction. This is true, but it presupposes the use of massive economic resources as an investment for the future. For this reason, we pointed out to President Bush this morning that the problem is not how much it would cost to substitute the drug economy, or the cultivation of coca, but how much it would cost not to do so now, and how much it would cost the world if we do not begin to do so now. Your question is important. How we will work this out economically, or—as the people say in the United States—where is the beef [preceding four words in English]? Where is the beef, where is the hamburger? I think we will do this as time passes over the course of this process.

However, what is important is that the essential concepts are changing. Previously, it was a military or police concept. The concept was essentially repressive before. Now, it is agreed that it is basically economic and social. How can this be worked out? We have talked with President Bush, and he has limitations. He has a deficit. He has economic problems. However, I am sure that the U.S. President and Congress will know how to assign priority to their expenses. How much would it cost not to do what we must? How much would it cost us to lose our lands and to see subversion grow because of the peasants' poverty if we do not substitute those lands by cultivating better crops?

Now that President Bush has talked with the East bloc countries; now that disarmament is beginning and the presence of U.S. soldiers is being reduced, it all entails a curtailment in spending. Where will the resources freed by disarmament go? We think that we must also carry out disarmament in connection with drugs. We think that there must be a financial disarmament that allows those resources to be properly used. In this sense, I am convinced, I have confidence, and I am here for this reason, in the sense that we have taken a decisive step regarding the concepts and the process that is beginning here and will be confirmed by the investment we will all make in solving the problems. This is what I will say to my country.

One begins to solve problems by understanding them correctly. We can then make investments and allot resources to solving these problems. However, what has changed here are the concepts and, basically, what is beginning to change—never to recede again, I hope—the relationship between the United States and Latin America.

[Moderator] You have been very kind, Mr. President of Peru. This ends this period of questions at the covention center in Cartagena de Indias, which has been declared a historical heritage of mankind. Thank you, presidents and journalists.

Report on Agreement

PA1602053390 Paris AFP in Spanish 2240 GMT 15 Feb 90

[Report by Jose Antonio Puertas]

[Text] Cartagena, Colombia, 15 Feb (AFP)—The presidents of the United States, Bolivia, Colombia, and Peru today signed the Cartagena statement, whereby Washington promises to substantially increase economic assistance to the three Andean countries to strengthen their development and support their antidrug programs.

The agreement, signed at the end of the antidrug summit held today in this sunny Caribbean port, devotes most of its 10 pages to detail; almost line by line, the U.S. increased cooperation with the three countries. In turn, the three countries have promised to take stronger measures to check the northbound flow of drugs.

The summit marked the appearance of what could be described as the Cartagena cartel to fight the power of the Cali and Medellin cartels, which began to flood U.S. cities with marijuana and cocaine in the late 1970's.

The Cartagena statement says that the cooperative strategy intended to decrease drug trafficking must take

into consideration the reduction of the demand, consumption, and supply, and include agreements on economic cooperation, alternate development, stimulus for commerce and investment, and diplomatic and public opinion initiatives.

The parties recognize that these interconnected elements reinforce each other and that the failure of any of them will threaten the success of the rest.

Consequently, President Bush promised to request authorization from the U.S. Congress to increase cooperation funds for the Andean countries from 1991 to 1994 to back these countries' efforts "to correct the short-term and long-term socioeconomic disturbances caused by an effective struggle against illegal drugs."

In addition, the three other presidents underlined the importance of establishing "sound economic policies" to take full advantage of the U.S. aid.

In the document, the United States declares itself "willing to cooperate" with the Andean countries "in a broad number of initiatives for development, trade, and investment to reinforce and maintain" these countries' long-term economic growth.

The four presidents recognize that the alternate development proposal "oriented to replacing the coca economy in Bolivia and Peru, as well as the trafficking of illicit drugs in all of the Andean countries," requires cooperation programs that cover the following areas:

On a short-term basis, establishing or reinforcing emergency social programs and supporting the balance of payments to counteract the social and economic costs derived from the substitution of the plantings.

On a short-term and mid-term basis, establishing investment programs and measures to create the economic conditions that will lead to the final substitution of the coca economy in countries where it exists and the economic sector affected by the drug traffic.

These are other salient aspects of the document:

The United States will support the measures intended to stimulate a broad-based rural development, encouraging nontraditional exports, and lifting or reinforcing the production infrastructure.

The United States is willing to finance activities of this kind with fresh loans.

The parties agree on the need to obtain economic support from other sources and conduct joint negotiations to get support from multilateral financial institutions.

The parties express their conviction that an overall struggle against drug trafficking will disturb the market of coca and its derivatives and lower the prices. As this struggle gradually succeeds, those engaged in planting and harvesting coca will seek alternate sources of income, either by planting other products or seeking other jobs.

The parties promise to support development and expand antidrug prevention and education programs and reinforce measures to stop the flow of illicit drugs.

The United States expresses its willingness to increase its cooperation in outfitting and training the police organizations of the Andean countries.

The parties recognize that the repression of drug trafficking is essentially a police matter, but one in which the Armed Forces can participate within the legal provisions of each country.

Along these lines, the countries promise to increase the exchange of intelligence information to reinforce the action of the proper organizations.

The parties agree to identify, follow up, freeze, and confiscate bank accounts and apply other legal procedures to deal with the financial aspects of trafficking in illegal drugs.

In this field, the countries promise to adopt a system to confiscate and distribute the earnings and properties that result from drug trafficking. Regarding the properties of drug traffickers that have been seized in the United States, in which Bolivia, Colombia, or Peru has helped, the United States promises to transfer such properties to the government that assisted in the operation.

The United States promises to intensify control over the smuggling of chemicals used in the production of drugs, as well as arms smuggling, and the registration of aircraft and ships used for drug trafficking.

U.S., Peru Sign Documents

PA1602040190 Madrid EFE in Spanish 0141 GMT 16 Feb 89

[Text] Cartagena, Colombia, 15 Feb (EFE)—The U.S. Government today signed two bilateral agreements with Peru, one on the exchange of financial information and the other confirming an extradition agreement that the two countries signed in 1889.

The "Exchange of Notes" on extradition, as one of the bilateral agreements is officially called, "confirms" the previous extradition agreement and specifies that drug trafficking and "other" crimes related to that activity are covered by the 1889 treaty, which is still in force.

The treaty in question was signed by the United States with most of the Latin American countries to regulate the return of fugitives from justice to the United States.

By the exchange of notes in Cartagena today, Peru agreed to include drug trafficking "by inference" in the Latin American treaty of 1899, which did not list that crime by name.

The Peruvian-U.S. agreement notes the "mutual desire" to support legal cooperation mechanisms that guarantee the return of fugitives to be tried where required by law.

The document, signed by Peruvian Foreign Minister Guillermo Larco Cox and U.S. Secretary of State James Baker, both members of the official delegations that went to the drug summit held here today, announces "upcoming discussions" between the two governments on extradition.

The other bilateral agreement, which was also signed by Baker and Larco, on behalf of U.S. President George Bush and Peruvian President Alan Garcia, allows the "exchange" of financial information, bank records, and "other information" that facilitate the detection of money illicitly obtained from drug trafficking and money laundering operations, and, in general that help in the investigation of civil and financial crimes.

The agreement also "encourages" the investigation of tax evasion as an effective means of arresting and imprisoning drug dealers and distributors.

The United States promised to assist Peru in new auditing and supervising techniques in the area of financial crimes. During the Cartagena meeting, called by Colombia to seek joint solutions to the "common problem" of drug trafficking, the United States also signed bilateral agreements with Bolivia and Colombia.

The drug summit, which was attended by the presidents of Peru, the United States, Bolivia, and Colombia, lasted six hours and concluded with the issuance of a "record of intent," in which the signatory countries pledge to struggle equally against the production, trafficking, and consumption of drugs.

Garcia Views Summit

PA1602043790 Bogota Inravision Television Cadena 1 in Spanish 0215 GMT 16 Feb 90

[Interview with Peruvian President Alan Garcia by Caracol Director Yamid Amat and unidentified reporter in Bogota on 15 February—live or recorded; monitored in progress]

[Text] [Garcia] ...is so important that any discrepancy would have resulted in a stalemate or created a rift, and we would have reached no conclusion. I am satisfied with the conceptual statement of the Declaration of Cartagena. I hope it becomes a reality and that there is seriousness in the appropriation of resources to replace and limit drug trafficking. If we had started to talk about Panama—and my position concerning the invasion and the death of almost 1,000 Panamanians is well known—then we would have surely never reached any conclusion. We must clearly separate topics in life if we want to argue about some of them and agree on others.

[Reporter] The White House spokesman said that relations between you were excellent while you talked and negotiated in private, and that each of you gave a statement on your respective countries. Is that true?

[Garcia] I believe that a spokesman's duty is to always say that everything is all right, and I would accept that in general terms.

[Amat] But...

[Garcia, interrupting] It was a pleasant surprise for me to meet George Bush and to talk again with my Latin American counterparts. I believe that an extremely important statement has been issued concerning the drug problem. There is always doubt as to how this will continue.

[Amat] But, Mr. President, you have been one of the harshest, if not the harshest, Latin American and South American critic of President Bush's international policy.

[Garcia] I still am.

[Amat] Yes. Did this have any effect on him today? Did you see that this had affected him?

[Garcia] This has probably happened in his personal life, too. Politicians have many aspects. The foreign debt is one topic, and there I completely disagree with the White House. Political relations is another topic and, referring to the invasion of Panama, I completely disagree with the prevailing imperialism. However, drug trafficking is a crime against mankind and we have to momentarily set aside the topics on which we disagree. Naturally, while we talked, both President Bush and I knew that there are many topics on which we disagree—but we both knew that we had come to do something, and there were expectations that we reach a conclusion in our ideas and the document. Since we both knew this, we did not fight. I am sure that the occasion will come when we will be able to engage in a discussion.

[Reporter] But we learned that President Bush had referred to you this morning and said that you were a great person, a great man. He said this to U.S. journalists when he was welcomed at the guest house.

[Amat] Perhaps he was talking about your height.

[Garcia, laughing] I think he was talking about my height. No, I believe he is a generous man, but I do not think he has exaggerated.

[Amat] Mr. President, during the news conference you said—when praising the new times, the new phase of multilateral negotiations that has started—you said that you hoped that what was being done about the drug problem could be extended to topics like the foreign debt and foreign trade.

[Garcia] And Latin American policy.

[Amat] How can the foreign debt [words indistinct]?

[Garcia] Latin America as a whole has had similar relations with the world's capitalism—meaning the

United States, Europe, and Japan—throughout the years. Sixty years ago relations exclusively dealt with the sale of raw materials. Valuable economic assets were produced with the raw materials. Thirty years ago it was the installation of U.S. or European industries in Latin America to assemble automobiles or refrigerators—but it produced valuable economic assets. For the past 10 years they have only been demanding payment of the debt, which is the result of those two previous phases.

The debt and its interest have steadily grown, but the value of our production has decreased, so it has become increasingly impossible to pay the debt. Therefore, we are faced with the same old story: Lend me 100 million and I will pay you 110 million and still owe you 120 million with the new interest. This rotation of credit does not produce any material assets like raw materials and assembly plants did in the past.

Consequently, this relation is no longer feasible; it is useless. We have become increasingly poor, and we owe more and more. Why not change to more rational relations, the way that civilized persons who know how to talk multilaterally are doing? We would thus eliminate the foreign debt problem, which no one will be able to pay and, consequently, no one will be able to collect. That is what we are talking about.

Financial capitalism no longer produces material assets and does not generate anything—but it certainly continues to impoverish us—so an enormous financial and technological force is accumulating in the United States, Europe, and Japan. They have no one to sell it to because we have become increasingly poorer. Suddenly, they have an opportunity in East Europe and they are there, full of illusions about creating new markets in that area—and they have forgotten about Latin America, which has purchased machinery from the United States and Europe for 50 years.

I think that is unjust and should be discussed. The United States has...[changes thought] What more does it want, if it has the resources that it no longer spends on atomic bombs or on men and weapons in Europe? It has to invest those resources so that they may yield something. Where? In Poland? In Czechoslovakia? Why? Why not in Latin America? We are here and we have common problems like drug trafficking. That is what we have to discuss.

[Amat] What are Peru's revenues, in dollars, for the coca crops?

[Garcia] The most conservative estimate is approximately $700 million.

[Amat] With what are you going to replace that $700 million if the coca crops are abolished?

[Garcia] That is the crux of the problem, and that is why we came to talk. It is obvious, it is true that I have an ethical and moral obligation to end it, but it is also true that I have to eliminate the peasants' coca crops to achieve this.

[Amat] Mr. President, what about the peasants of Peru and Bolivia? Colombia's case is different because coca is processed here. Would the peasants be willing to change those crops for others?

[Garcia] If they are given a long-term guarantee, yes.

[Amat] But would they change coca for tomatoes, oranges, and cacao?

[Garcia] It is not easy to change it for coffee, tobacco, cacao, annatto, or palm trees. The U.S. Government has studied all this. I have a 600-page report from the U.S. Government that discusses the alternatives for replacing the 80,000 hectares in the Guayaga Valley, which is the largest coca-producing area in the country. It would cost $600 million to industrialize the area on a long-term basis.

[Amat] But, Mr. President, coca practically grows wild; it does not require much work in the countryside. How can a government like yours convince a farmer to invest much more money in a product that would be much less profitable?

[Reporter] Let me add something to that....

[Garcia, interrupting] Excuse me. It is a vicious circle. The peasant produces coca because he has no money. I will not ask him to invest money he does not have to change the product. The United States has to buy the new product to achieve this. The United States has to guarantee that it will buy the product. How many trillions does the United States buy as imports in other countries? A fraction of this would change the destiny of Colombia, Peru, and Bolivia.

The United States should say: If I buy $600 billion in products abroad, I will buy $10 billion—of anything—in Peru, Colombia, and Bolivia. It could be tomatoes, palm oil, coffee, chocolate bars, anything. This would change the history of these countries.

And in three years, coca crops would disappear from our geography. Each producer would become the best policeman against drug traffickers.

[Amat] Mr. President, did you tell all these things to President Bush during the summit?

[Garcia] Of course I did. We held absolutely frank discussions. At a given time during the summit I told him: What we—Barco, Paz Zamora, and I—have been trying to tell you for the past hour is that when you offer us $450 million for 1991, you are making a very small offer. I told him: The United States has a military budget of $400 billion and you are offering us a millesimal part of that budget to solve a problem that you describe as the most serious problem in the United States right now. That is not a serious offer, Mr. President. I told him that.

[Amat] You are kidding me.

[Garcia] Sure I did. We met to tell the truth face to face.

[Amat] And what did he say?

[Garcia] He said he likes to be told the truth to his face.

[Amat] But what did he say about your statement?

[Garcia] He must have started to realize that he cannot offer us $420 million [figure as heard], but that he has to offer us a lot more. Our statement does not make us look like beggars. Latin America is not a continent of beggars. We want to produce new goods and products. We want the country that is now buying cocaine grown in Latin America to buy those goods and products from us.

[Reporter] Why did you not ask the U.S. President to buy those products from our countries?

[Garcia] But we did; it is stated in the Cartagena Declaration. The problem now is how much, how much [preceding two words in English] the United States will allocate for that purpose.

I do not want gifts. I told President Bush: Do not give me helicopters or machine guns. That is no good. Those things make peasants leave for other areas, where they continue to consume and grow more coca. I told him: I need you to become a direct ally of our peasants. You can do that by lending them money, buying their products, and guaranteeing them that their products will go out to a consumer market.

[Amat] Tell me something, Mr. President. Were your Colombian and Bolivian fellow presidents as frank with President Bush as you were?

[Garcia] Oh yes, indeed.

[Amat] Therefore, President Bush went back to the United States with a clear awareness that the problem is not all that easy, right?

[Garcia] The problem was never easy, Yamit. President Bush has gone back to Washington not only convinced that the problem is not easy, but that it will worsen. At a given time during our discussions, he said: What guarantees do we have that with the resources we will give you, you will replace the coca crops? I told him: Wait a minute, Mr. President. You have come here with data according to which—and you have explained this to the U.S. people—drug consumption has decreased in the United States over the past five years. Using the same criteria, I could ask you: Why do I have to believe that drug consumption has decreased in the United States? I told him: We have come to this meeting because we believe in each other and because we have some trust in each other.

[Amat] But then, Mr. President, something new has happened at this summit. This summit has shown that a meeting between the U.S. President and Latin American presidents like you and Presidents Barco and Paz Zamora is no longer something scary. The weight has been reduced a little bit.

[Garcia] But please, the U.S. President is not God! There are a lot of people who think he is God. They are mistaken. God is in heaven. We are all human beings under equal conditions, and we speak frankly. That is why I began by telling you that I was pleased, because President Bush has come accross to me as a pragmatic man who grasps the essence of ideas. He does not get offended when he is told the truth to his face. In my opinion, he is fine. I believe things must be stated clearly.

I have spent the last six years of my political life saying things clearly. Many people describe that attitude as vehemence or radicalism. I disagree with that view.

When the United States invaded Panama—and I was aware of what Noriega was—I said that despite that fact, the invasion was a crime. We demanded the immediate withdrawal of the U.S. troops. I said that if the immediate withdrawal did not take place, I would not attend the Cartagena summit, because I could not sit at the same table with the U.S. President while a Latin American country remained invaded. And it happened. It happened. The troops had to withdraw. And we have held a cordial meeting for that reason.

[Amat] Mr. President, you have convinced us [words indistinct] things the way you see and feel about them. Will you tell us frankly—frankly—what is your opinion of the summit? What happened at the summit? What important conclusions were reached at the summit?

[Garcia] Frankly, and in a nutshell, it was positive. It created a multilateral atmosphere, and we talked very candidly. As for me personally, I had the opportunity to meet a continental politician like Bush, and I found him to be a pragmatic person. I probably disagree with him on more than half of the things he thinks, but I do not think that human beings are obliged to be identical. What is important is to look at each person for his good points—however few or many they may be—to establish a rapport on that basis.

[Reporter] What is being planned? What is next? What is going to be done to continue... [changes thought] so that the presidents will keep in constant touch to fulfill what they signed?

[Garcia] Well, there will be constant communication. It is easy to talk with the U.S. President, who is not God. There are telephones to do that. Mr. Bell invented a little gadget over a century ago called the telephone and we, the presidents, communicate with each other—with Barco, Paz Zamora, and President Bush, to ask: Will we or will we not do what we pledged to do? If we do not, at least it will not be my fault or that of the Latin Americans.

[Amat] We are in the midst of an electoral process in Colombia, and the Peruvian president is also facing an election...

[Garcia, interrupting] And you know the candidate, fortunately. [chuckles]

[Amat] Mr. President, it looks like the opposition is going to defeat you in your country.

[Garcia] It is a possibility, it is true.

[Amat] Why?

[Garcia] Look, anyone who listens to your question would think that five years ago, when I assumed power, Peru was a country full of gold, very rich, the way it was before the Spanish conquest—orderly, and without problems. Five years ago it had a developed terrorist problem. It had a foreign debt of 14.5 billion and was extremely poor. Five years have elapsed. I explained to you once that I tried to make it grow rapidly and managed to do so. Then we faced a decline, and we are now stabilizing the situation.

However, many people feel that a person can solve many things because of the impetuosity in his personality. Sometimes this is the problem of being honest or having an impetuous personality or harboring many hopes—or selling them.

The truth is that—like five years ago—we have a poor country, a country that owes money, a country that has just as much or more subversive terrorism, and this makes people uncomfortable. I cannot understand it. However, that is what we politicians are for—to burn out in our work to enable democracy to survive. I will be replaced by someone else who thinks like me or totally differently from me. He will replace me, and democracy will stay, a civilized system. This is the most important thing.

[Amat] Mr. President, when one sees Peru facing the difficulties it is experiencing now, the same as our own country and Latin America in general, one asks himself: Would a man, a novelist like Mario Vargas Llosa, be the right man to lead Peru?

[Garcia] As president of all Peruvians—and of Vargas Llosa as well, even if he does not like it—I cannot pass judgment, either ethically or intellectually, on a politician and Peruvian who is contending for the presidency.

[Reporter] What are you going to do after you step down from the presidency?

[Garcia] Well, I am going to be free.

[Amat] Why do you not come to Colombia, and I am sure...

[Garcia, interrupting] Sure, I accept your invitation, and I hope some Colombians will extend it. However, I want to tell you very honestly, that I am perhaps better at selling dreams, ideas, and doctrines than administering a situation of penury, like the one our countries are experiencing, and most particularly Peru, which is one of the poorest countries in Latin America. It is very difficult. For instance, on a day when the price of rice or chicken goes up, the people will not believe you, even if you tell them the greatest of truths. One can be preaching something very important, but if it fails to rain and the city has no water, no one will believe the greatest of all truths. Then, when one stops being president and administering penury, one can devote oneself to convincing people, to educating. That is what I should do.

[Amat] Now, why did you make that aside, making me president of all Peruvians, even of Vargas Llosa—whether he likes it or not?

[Garcia] Because I am sure that some people do not like having me as president. [laugther]

[Amat] Even him, for instance?

[Garcia] I did not say so. I do not know. I never fall to the level of defining people or pointing out last names. I make an outline or define them in the negative.

[Amat] Mr. President, [words indistinct] this dialogue [words indistinct] for your generosity and kindness. Addressing our people and our country, [words indistinct], how were things today at the summit?

[Garcia] Very good. Colombians, who have seen their institution threatened, their press abused, and many politicians also threatened, must have confidence that Latin America, together with the United States, will confront the problem of drug trafficking. This is not only a problem for Colombia. It is our problem too, and we will tackle it. The day a newspaper office was blown up in Bogota I came to Bogota because I felt that freedom of the press was threatened on the continent. After all, we are Latin Americans. Let Colombians have confidence.

Panama Issue Avoided

PA1602045290 Paris AFP in Spanish 0239 GMT 16 Feb 90

[Report by Jose Antonio Puerta]

[Text] Cartagena, Colombia, 15 Feb (AFP)—The anti-drug summit in Cartagena has been described as a success by all of its participants, who today signed a declaration in which they pledged to cooperate on all levels to combat drug trafficking.

The three Andean countries undoubtedly accomplished their goal of getting U.S. President George Bush to pledge his support for their efforts to achieve economic development, including promises to support their adjustment programs, debt payment balance needs, and the opening of markets for their legitimate exports.

Peruvian President Alan Garcia was perhaps the most enthusiastic when he described the meeting as the beginning of a new chapter in Latin American relations with

the United States, which, in his opinion, will be marked by a multilateral focus on problems.

"Undoubtedly a success," said Colombian President Virgilio Barco, who added that Cartagena "opened a new era" of cooperation, instead of recriminations in the struggle against drug trafficking.

Bolivian President Jaime Paz Zamora said that he was very pleased that his proposal of going beyond the substitution of crops to "generate an alternative economy capable of competing on the international market," was literally adopted and became the foundation of the Declaration of Cartagena.

Bush, likewise, was pleased with the results; he underscored that the United States, the world's leading drug consumer, and the Andean countries, the leading producers, had "formed an unprecedented alliance," and "the first worldwide antidrug cartel."

However, President Bush has other reasons for being pleased; he not only rounded out the "winning impression" conveyed by the antidrug strategy that he launched in September, but he managed to begin allaying the resentment felt by Latin American concerning his decision to invade Panama in Decemer.

In effect, references to Panama were obviously avoided at the news conferences, and the presidents' cordial expressions clearly indicated that the subject has begun to slip from memory. Bush "is a good guy" and a "well-intentioned man," Paz Zamora said at the press center following the summit's conclusion.

Cuba

Commentary Skeptical of Drug Summit Results

FL1602023890 Havana Television Service in Spanish 0100 GMT 16 Feb 90

[Station commentary]

[Text] Although everyone agrees on the need to end the scourge of drug trafficking, the meeting of the presidents of Peru, Bolivia, Colombia, and the United States has brought out their differences regarding the causes of the problem and the ways to solve it. The United States has defined drug trafficking as a national security problem; repression and strict measures on the part of the producer and processer countries and greater participation by the military are the corollaries of the U.S. strategy. Bush went to Cartagena lacking real domestic actions, while he pressured for forceful solutions in the Andean nations. The use of sophisticated weaponry, military advisers, and a growing Navy deployment in the Caribbean are inequivocal signals that the final objective of Washington's strategy in this war on drugs is to consolidate its hegemonic policy on the southern continent.

Unfortunately, given such an attitude, it does not seem that there is a common position among Peru, Bolivia, and Colombia. Although all reject U.S. interventionism in principle, each one tries to improve its individual position to obtain the best benefits.

Bolivia proposes a development formula that consists of replacing coca with markets and better prices for new products. The plan includes job creation and an improvement in the rural population's economic and social conditions. The coca economy in Bolivia generates approximately $1.422 billion in income, an amount equal to 24 percent of that country's GDP. The cultivation and harvesting of coca leaves involves 500,000 people and takes up the best croplands in Bolivia.

Peru, on the other hand, states that it is the responsibility of the United States to implement an integrated econmomic plan, while it categorically rejects any military intervention and the use of defoliants to destroy the coca fields.

Colombia is where cocaine is produced, and where the largest shipments to the centers of consumption originate. In that country, drug trafficking, which is sponsored by the traditional bourgeoisie, has become an alternative government because of the immense profits that can be obtained from it. The solution to the problem of the drug mafia in Colombia lies not only in deactivating the laboratories, but also in purging the Armed Forces, which are allied to the drug traffickers in the strategic plan for preventive counterrevolution that has cost the Colombian democratic movement thousands of lives. For the moment, the Colombian Government has demanded shared international responsibility in the fight against drugs, given that drug trafficking has reached its current levels because of the great demand for drugs in the United States and Europe.

The frictions between Washington and the subregion will not disappear with this meeting, as each country came to it with its own interests and its own approaches.

Castro Gives Speech at 'Pedagogy 90' Congress

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[Speech by President Fidel Castro during the closing session of "Pedagogy 90" Congress from the Karl Marx Theater in Havana—recorded]

[Text] Esteemed delegates and guests, comrades: In light of my commitment and responsibility to close this event, which was given to me in one way or another, I was asking myself what was I going to tell the delegates. I did not have the privilege of participating in discussions and commissions. I have not directly heard about the great variety of subjects that have been discussed in this meeting. I have only received some news while carrying out my daily work.

What am I going to tell you that you have not already discussed? What am I going to explain to you that you have not already heard? What am I going to tell you about that you have not already been told? I was also asking myself what had I said during Pedagogy 86 four years ago. I have not even had the time to review the material. I have not had the time to ask for the speech to see what I said. I did have time to look at some of the event's material; I especially had the privilege of reading the magnificent speech delivered by Comrade Education Minister Jose Ramon Fernandez. [applause]

These are the problems I had with such a task. I did not want to repeat things that had already been said or that I myself had said previously. There are so many figures that you can fill a phone book with them, especially when one speaks of the history of the development of education after the triumph of the revolution. Is there any delegate here that knows about it? For example, how many teachers did we have? I am not referring to the Cubans, but to some of the guests. Do you know? At least there is one who knows. [laughter] I am trying to find out what you do not know. [laughter]

According to reports, I believe there were some 22,000 teachers; the number did not reach 23,000. We do not know how many we have now, either. The data contained in the documents indicates we have some 293,000. However, the data needs to be updated and will have to be updated constantly, because it is changing all the time. Cadres are being taken away especially from the education sector. This has happened since the beginning of the revolution. Since there was such a low academic level, everyone asked for education cadres. The state and party is full of people from the education sector. Of course, they asked for them and did not send them back later. They had no intention of sending them

back, either. So, each year, a large number of teachers went from the education sector to other areas.

In spite of all of this, the number of teachers and professors grew each year. They number close to 300,000; that is, we now have almost 24 times the number of professors and teachers we had when the revolution triumphed. This figure gives you an idea of the effort made in training education personnel. It is because of the efforts made during these 30 years that we now have a large number of professors and teachers of all types. There are even physical education and sports teachers. There are a lot of them.

I always heard before the revolution—and it was always demanded—that there was a greater need for teachers than for soldiers. How many times did we hear this? I believe that even your final document says this. It reflects the idea that less should be spent on weapons and that those resources should be devoted to development. Education would be one of the best sectors on which to spend them.

I was thinking, what is our proportion of teachers to soldiers? You are not going to believe me, but I do not know exactly how many soldiers we have. [indistinct crowd noise] Of course, of course but that.... [Castro interrupted by prolonged applause] Wait a minute. If we are talking about soldiers to defend the country, all the people are soldiers. I cannot make such a comparison. If we are talking about teachers that preach the most noble revolutionary ideas, I can also say that all our people are teachers. [applause]

Now, returning to the other comparison about the permanently armed soldiers. We have a great need for them, because it is not our fault that we have such a neighbor that threatens us. [applause] We see ourselves being forced to be on guard day and night, constantly, which forces us to have a lot of expenses and make sacrifices. We would have to update and see what the exact number of permanently armed soldiers is. However, I am certain that I would not be wrong if I said that we have more than two teachers and professors for each soldier. This is the old dream we talked about so much, ever since the time of independence. This is the dream that has been fulfilled.

However, we must also analyze how much has been spent on different things. Our working people, and all our people in general, spend millions and millions of hours preparing themselves so they can be ready to defend the country from an attack. Our budget shows the expense for education is double the expense of the Revolutionary Armed Forces [FAR]. [applause] In other words, this is an old aspiration. We can even say that in public health, we spend half of what we spend on education. The expense for public health is approximately similar to that of the FAR. If we analyze the figures this way, we can draw some encouraging conclusions. Have we stopped the training of teaching personnel? No, we have not stopped it. Have we closed schools for training teachers? No, we have not closed them. On the contrary, just 48 hours ago, at the Executive Committee of the Council of Ministers, and during a meeting that was held a few months ago with university students, we discussed a serious problem: We need to build five higher-level teaching institutes.

Some of you may be asking: Have these people gone crazy? They have approximately 300,000 teachers and professors and they still want to build five higher-level institutes! We also asked ourselves the same question. Were we crazy? However, we had no other solution but to build those five institutes to complete the system for training teachers. We have the elementary teachers' schools—they change the name, I do not know what they are called now—in all the provinces. I remember we built them. We built installations for mid-level teachers. We did this at a time when the explosion of mid-level schools was huge and we did not have enough teachers. So, we had to recruit students and establish a program for teaching and studying at the same time. Certain installations were built at that time .

But later came another idea, the higher institutes for teachers. We need a total of 16, approximately. I think it is exactly 16 throughout the country, right Fernandez? [response not heard] However, we do have one for each province. If we do not build the ones we need, the province will end up without a higher-level institute. We want each province to have its higher-level institute for the training of these teachers, for mid-level as well as for higher-level teachers. That is why we have to build those five installations, in addition to other ones we are completing. Even though we do have those schools, they are in installations which are not adequate—this is a sacrifice for its students. We have decided to build the five higher-level schools that we lack. We plan to begin some of them this year, others in 1991, and have the whole system of facilities completed. I can tell you it is one of the most ambitious plans that could have been devised.

We now have the schools for teachers operating. These schools will also be turned into higher-level institutes. In the training of the elementary school teacher, we are going from the current level to the higher level. We have not been able to do it from one year to the next. We have done it a little bit at time. We are still enrolling students from the ninth grade in the schools for elementary teachers. However, in the pedagogical institutes, we are already beginning to enroll students who have graduated from the 12th grade who will study in the universities so that they can become elementary school teachers. In other words, within two or three years, 100 percent of those who enroll to study to become elementary school teachers will have to do it as high school graduates. Then, they will have to study five years at the university or at the higher-level institutes to be able to graduate with a bachelor's degree in elementary education.

Therefore, we will not have a surplus of schools. We are not so crazy. We will have to continue training elementary school teachers, but at a much higher level. This is the path we are going to take. We are going to need the installations in all the provinces so that none is left without its own institution. This is very important. This has helped us a lot not only in the area of teaching—in training teachers—but also in the training of university staff in general.

In the early years, we had to enroll students who were going to become elementary school teachers with only a sixth grade education. We gradually increased the education level required for enrollment until we made it a secondary school level. Imagine, they started out with a sixth grade education. Then, they had to study for five years; they had to study a total of 11 years. At that time, and for a long time, we did not even train those teachers trained to teach classes. There was a time when 70 percent of elementary school teachers did not have a diploma. They were students. They were people with a certain level of education to whom some training was given so that...[changes thought] The explosion was such that education extended to all corners of the country. We saw this from early on; however, there was also a demographic explosion in the early years, which at one point was about 1 million and something. It must have been over 1 million, right? [response indistinct] Figure out for yourselves the need we had for teachers.

Today that figure for elementary school students is approximately 800,000 or 850,000. But at that time, we needed...[changes thought] Many of those teachers later also trained to teach mid-level schools. Figure out the explosion that I was talking about. When all these children reached the sixth grade, from where were we going to get all the teachers? We had to create new formulas to face that situation, which naturally is not he same situation we have today. It is interesting, and also logical, that the number of elementary school teachers is lower than the number of teachers for mid-level schools. The number of elementary school children is approximately 800,000, the number of mid-level students is over 1 million, or 1.8 million. I think that about 48.1 of every 100 students today is at that point. The number of students who are at the elementary level is not even 40 percent. What is that called? The inverted pyramid? It looks like they put the base on top and the tip at the bottom. The childcare centers and the preschools must be at the tip. The higher-level institutes have approximately 12.5 of every 100 students.

There has been a great and noticeable change from the situation we once had with the teaching personnel to today's situation. We even have the luxury of having teachers and professors in reserve, not so much professors as we have teachers. We have approximately 18,000 in reserve. Fernandez must know this well. He does not always like to give precise figures, or to reveal all the secrets of the resources he has. [crowd laughs] Sometimes you have to guess, or get it out of him. However, this is the policy we have followed. We have not closed schools. No. We have not stopped investing resources in those schools. In any other country, they would have closed schools and limited the resources. What have we done with this reserve of 18,000 teachers? We put them to work and study. Therefore, we have almost 20,000 [figure as heard] of them studying in one way or another and receiving their salaries. It is more than a sabbatical year; it is a year in which to really improve oneself and attain higher levels.

According to the data, how many of them are enrolled in schools? I have already told you: I did not want to bring an encyclopedia of data here; however, I think that in talking about some of these things, I have no other choice but to mention some data. There are 42,000 elementary school teachers enrolled in the universities who are studying for their bachelor's degree. Many of them work as teachers and study. They either take night courses or seminars. Forty-two thousand are getting their bachelor's; 13,000 have already graduated. I am talking about a bachelor's degree in elementary education. And 13,000 [figure as heard] are full-time students in their fourth and fifth year. They receive...[changes thought] They go through the first four years combining work and study; and during the last two years they are full-time students. There are 13,000 of these students. I think this is a reasonable way of utilizing human resources.

What good are unemployed people? What good are people filling up offices? What good are people filling up personnel rosters? Is it not better that they be teachers, professors, doctors, and nurses so they can provide new services to the people, such as the family doctor? Or, is it not better to increase the quality of our teachers? Is there not a difference between a teacher who has studied 11 years to one who has studied 17 years, in addition to their long career as teachers? Therefore, that is why today we are sending to higher-level institutions those teachers who started studying education after completing the sixth grade; or the teachers who completed the ninth grade and then studied four more years to become teachers; or those who became teachers while students and did not have a title, receiving it later, and now studying at the university. In a few more years, all our elementary school teachers will be university graduates. Our installations...[rephrases] Our pedagogical institutes will be higher-level institutes, because students will enroll to study either for their bachelor's in elementary education or for their bachelor's in education. I was telling Fernandez: At some point, we are going to have to find a more appropriate name for those professionals who are called graduates in education. They are the ones who are going to teach at the mid- or higher-level institutions. All teachers will have practically the same levels of education, and they will teach first and second grades. This will result in great quality of education which is what we have to strive for constantly. This is how we have created these programs. This is how these programs have evolved.

Do not think that everything in education was set on the first day. When we started, at the beginning or before the

revolution, we had many ideas and dreams regarding education. Those were the ideas which, at the time, were proclaimed as the necessary ideas, the revolutionary ideas. We needed classrooms and teachers for all the children. We needed to end illiteracy. There were several ideas, very good ideas, I will not deny it. However, those ideas corresponded to those times. If we compare the ideas we had prior to the triumph of the revolution with the ones we have today, there is an abysm, because we have developed more and more new ideas in this field. This field is what today constitutes the sum of all our institutes and educational programs. Back then, we would have never even thought about the pre-university institutes for the sciences, nor about the vocational schools we later developed, nor about the problem of special education and special schools.

Yes, we had thought about the idea of work-study. It was a very important idea, because it was an idea of Marx and Marti which had not been implemented in a universal manner in any other country. For us, the importance of this idea of combining study and work was always very clear. Each student was supposed to be an intellectual and also be able to work with his hands, because we could not create a society of intellectuals. This communist idea is one of the most important ones ever created

However, all these ideas and plans...[changes thought] Back then, we would have never thought about having a teacher be a university graduate. Back then, we would have never thought about all these institutions and this entire system. At that time, we had not even thought about the type of special schools that we have today. In actuality, these ideas were not devised on the first day. We had some basic ideas that were gradually developed throughout these years to attain what we have today, which has to constantly be submitted to analysis and criticism. Each one of these institutions has to be analyzed and criticized in the attempt to do things better. If we are doing certain things right, we want to try to make them better. If we think they are not good enough, we want to try to improve them. This is our great battle in this sector. We have a lot of advanced ideas, as you have seen during the visit. We want you to also analyze and criticize those ideas, because it is to our advantage. We need each one of the things that we are doing to be analyzed from different points of view. We need to know what can be done to improve anything, including the content or method of education.

We have done several new things since Pedagogy 86. In these past four years, several new things have been done. What? Let me think. For example, we established the exact sciences vocational schools system. In the past, we only had vocational schools, but we decided to call them exact sciences vocational schools. This decision was made after a study carried out at a pre-university school. The study plan at these schools is more intense. These schools are not for seventh, eighth, and ninth graders; they are for 10th, 11th, and 12th graders. These schools are for pre-university students. The students at these schools do not have to do that much work—that is manual labor. However, we do not want these students to stop manual labor all together; we want to maintain the principle of manual labor even at these schools. At least once a week, they engage in some type of productive activity. We run the risk that the students at these schools will become too intellectual, and I must admit that this worries us. However, the students at the exact sciences vocational schools are not the only ones who will have the opportunity to go on to the university level. An examination and experience will determine whether a student can go on to the university level. This was not the system used in the past. In the past, we would go out looking for all the students who graduated from high school and beg them to attend college. A few years ago, we did not have enough students graduating from high school; very few graduated. Many chose to go into other fields of work. As the years went by, the number of students graduating from high school grew, and we had no other alternative but to establish a university entrance system based on the merits of the student.

University entrance is not only based on an examination. The grade the student gets on the entrance examination only represents 50 percent of the total number of points needed to gain university entrance. However, the exact sciences vocational schools are very demanding, very demanding [repeats himself], and a student graduating from these schools will have a certain advantage over other students. However, this does not necessarily mean that their overall grade will be higher.

We have other kinds of schools, and we try to make them as good as possible. Students graduating from these schools may also go on to college. These students may not know as much as a vocational school student, but, in some areas, may be better qualified to enter college. However, much more is demanded of a student who attends a vocational school; these students have more time to study. We have expanded our vocational school system and now have space available for 40,000 students. These schools are very well equipped; however, only the future will tell if the system really works. Our goal is to give all outstanding students the opportunity to receive the best possible education. However, as I have already said, only the future will tell us if the system really works. We also want to make sure that everyone has the opportunity to go to college. We are trying to get all the pre-universities to send their...[changes thought] We have pre-university students in the rural areas. In these areas, we apply the work-study principle. The youth who attends three hours of classes five days a week must make a big effort. He has to do much studying. He has to cover the whole study plan, and the study plans are the same at all schools. The study plans at the exact sciences vocational schools and at the other schools pre-university schools are identical. The only difference is that the exact sciences schools have an additional subject—chemistry, physics, mathematics, biology, or electronics—and they are given extra hours of classes on that additional subject. However, the study plan does

not change. The exact sciences student also receives extra hours of training on computer use. The other students have the same pre-university study plan, but they do not have that extra subject. Computer training is also given at the other schools; however, they do not spend as much time on this subject as the exact sciences student does. We try to give all students the same opportunity to continue superior education; we try to give the students in the rural areas the same opportunity to continue superior education. We also have a number of pre-university schools in the urban area, in the city. It is only an idea, it sounds attractive and interesting, but the future has the last word. Only the future will tell if the plan is good.

Naturally, there is something we are going to try to do. These science schools have teachers who are better trained; there is no doubt about it, because they are closer to the cities. With some exceptions, they are closer to the cities, and university professors can often be used for some of these subjects. In the future, I think we must gradually improve the quality of the teachers, equipment, and classes in those other pre-university centers.

However, the universities and pre-university centers are not filled just with science students. There are many youths who have served in the Armed Forces with weak records who are given a new opportunity to study. Those who want to do it are enrolled in the pre-university, and their service time is reduced. They are given the opportunity to study for one year and do an extensive review; afterward, they can enroll in the university. Workers also have the opportunity to enroll in the university; there is a quota for each of them. This is a system that was not in effect when we held the Pedagogy 86 meeting.

What other new thing do we have? We have introduced computerization in all higher-level and mid-level centers. By the next school year, we expect all centers to be computerized. We have made the investments to bring computerization to the entire mid-level educational sector—to approximately 1 million students, in addition to the higher-level students. We are also experimenting in 150 elementary schools. We have doubts about this. We do not know if computerization should be implented at the elementary school level. Maybe you can tell us about the experiences you have had in your countries. We are studying the experiences other countries have had with this. Which ones have done it? What have been the results? Is it convenient or not? However, there is something we have done in our country. We have created computer clubs for youths. In them, we combine computer programming with some entertainment. We have 39 of those clubs. In the next few months, we will have 100 of them. They are located throughout the country. The elementary school kids love to go to these. They spend Sundays there, they are entertained, and they also are interested in the programs. It is not like having a simple calculator, because anyone knows that three times three is nine, and two times two is four. In my time, there was none of that. That is the truth. I learned to do quick calculations, especially because there was a teacher who would punish me. [laughter] He would give me 100 division problems. He would give me the kind that had nine figures on one side and six on the other. There was no shortcut for that. [laughter] I spent so many recesses figuring out calculations, not a single day of rest. [laughter, applause] I see that a lot of people have their calculators. They use it constantly for everything. I am not saying that they are not useful. I have used them myself sometimes to figure out more complex calculations. However, generally speaking, I do them in my head. It is better to have microcomputers in the head. It is necessary that we all have them, or else everyone will have to have one of those calculators in their pockets. It would be...[changes thought] We have our doubts, but we are studying what is happening in these clubs with the youths. What are they doing? Because it is one thing to learn to program and another to solve problems with computers. One does not count or calculate if one has a computer. However, at this time, we are still not sure whether or not it is convenient to bring computerization to the elementary school level. This is one of the new things we did not have during Pedagogy 86.

When Pedagogy 86 was held, we did not have the special schools program we have today. This is a very important subject. We already had special schools. There were approximately 40,000 children and adolescents in special schools. However, later we discovered that the need for special schools was greater. The first consideration was in the idea itself of a special school. Should the special school exist or not? There can be many opinions on this. Should that child be in the other school? Naturally, there are many students in the other schools, even in the child care centers, who may have a speech impediment. But that can be quickly solved with a special teacher. There is no need for them to go to a special school for that.

There are many cases that involve specific problems for which we feel we cannot do without the special schools. There are different types of problems. Some of these problems are serious. There are mental development disorders for which there are solutions. However, when a child is sent to the same school as the other children, he falls behind, he could be rejected, and he could end up leaving school. I am referring to the mental development disorders. There is a large number of these cases. Even we did not realize the number was so high. There are also the cases of mental retardation. Unfortunately, there is no solution to the organic or functional problem. However, the child or adolescent can be educated.

What happens in a normal school with these students? What problems are created? We can have a classroom, and we have done that. However, we think the conditions which will give that child or adolescent full attention are not met under those circumstances. The largest number of schools we need are for the children with mental development disorders and with mental retardation.

There are also several thousand cases of behavioral disorder at various levels. These problems exist even at the elementary school level, not just at the mid-level. I have seen some of those kids. We have inaugurated a few such schools. Recently, we inaugurated the last school that was part of a program of 20 schools in the capital. With this, we have already satisfied all the needs in the capital. We needed 20 schools. No, we needed 24 schools. Each one had a capacity for 200 students. Therefore, we needed room for approximately 5,000 students. These are truly excellent schools. Their facilities and equipment are excellent. It is my opinion that their dedicated personnel is also excellent. We are carrying out the program in the entire country. We calculated the number of schools we needed to carry out the program and came up with a figure of 204. We had other schools like these. Havana had many of them; now it has over 24 schools. However, some of them were in very poor facilities. Others were in good facilities. At the beginning, we did not have the schools in new buildings. We had to establish many of them in existing facilities that were adapted. Now we have new facilities designed for that use. In the capital, we have been able to build all the special schools it needs. However, in the rest of the country, we still have not been able to do that. We still have to build many of these schools.

I will tell you something else—and we have asked that this be studied. We found regions or provinces with a larger percentage of mental retardation. Some of those percentages were even twice as high as in other provinces, or in the capital. I realized it when I was looking at the enrollment rate for the capital. I asked: Why are there so many schools? I did the calculations based on the same proportions for any area in the country with problems of this type. You see, we have to investigate this. We must look at the factors involved in this—public health, education? What towns could have had historic factors involved? Or, were there marriages among relatives? These are simply ideas of what could have happened. But we must know the determining factors behind a mental retardation rate that is twice as high in a particular province. None of this can be discovered if we do not study the problem. Otherwise, the problem of the special school will not be solved. As I was saying, I really doubt that the mentally retarded students can have better care in regular schools than they do in special schools.

The situation with behavioral disorder students is another matter. I was also talking about them. I said that after mental retardation and mental development disorders, we also have behavioral disorder cases. They are really marvelous kids. I said that recently we inaugurated some schools. One of them was for behavioral disorder students. That school was for elementary level children. I looked at those kids. They were so pleasant, and they were participating in all kinds of activities—cultural and sports activities. I was wondering, what do these kids do? What do these little devils do that cause them to have to be in these schools? With me, they did not...[rephrases] The kids were wonderful with me. They are hyperactive kids. They do not sit still. They must spend their 14 hours doing something. Many of them have a high intelligence quotient; they are very intelligent. But they need specialists, very well-trained people to treat these kids.

These are the kind of kids who leave school. They are the kind who do not respect anyone, either at home or anywhere else. They roam the streets. I also want you to know that—and this is an opinion we really believe in—all these kids who leave school are later the victims of delinquency. If they leave school because they feel bad because of a problem stemming from mental retardation, or due to a behavioral problem, later they become the victim of delinquency in the streets. We uphold the theory that the fight against crime must begin in school, and that the ideal of a society should be to have few prisons and many schools. [applause] Schools are the only thing that can later compete with prisons. That is why we should study the history of each one of the cases of those youths who early on become involved in delinquent activities, and we will find that there are other problems involved. Naturally, often there are hyperactive kids whose parents are teachers and for whom school is the house. [laughs] Not all of them will have to go. However, when you mix that kind of personality with a family setting where there is a problem, the kids do not receive the full attention they need. Therefore, the kids develop these kinds of tendencies. This type of kid needs a school.

Every time I have the opportunity, I speak with the personnel involved in this, and I ask them many things about these kinds of institutions. I can see that the personnel that works in this field must be very specialized. The personnel must be specially prepared to educate these kids. Some of these kids can do many excellent things. One day I asked them what they wanted to be, because they are so active they want to do it all. Some want to be athletes, others want to be...[changes thought] I think they all want to be boxers because they are also somewhat aggressive. [laughter] Well, they wanted to play all the sports, but they also like the arts, work, science, everything. Great things can come out of these kids if they have the right institutions. I really doubt that the normal school can solve such problems.

I am talking about these cases. I am not talking about the kids who have, for example, hearing problems in varying degrees; or about kids with visual limitations. I am not talking about blindness, but instead about serious limitations, such as kids who are cross-eyed or who have amblyopia. That is a little word that even I just had a hard time saying. [laughter] These are kids who have specific visual defects which could lead to blindness. And recently, we inaugurated two schools for these types of problems, in addition to the one we already had. The one we already had was for 100 plus students. These new ones have a capacity for approximately 200 students. In our capital, with 2 million residents, we have a need for at least 500 students with these types of problems which

can be solved. Some of you may have visited these schools. They are more than just schools, they are school-hospitals. There are doctors and specialists. They work with equipment to try to correct visual defects. They have a laboratory. All the sports activities in which the students participate are related to the problem they have and are geared to correcting the problem they have. It is a true marvel. I am really astonished when I go to one of these schools. I marvel at their personnel, and the specialization and abilities of the teachers. I watch the children progress at an incredible rate. Is it possible to have all these resources in a regular school? Is it possible to have all the needed laboratories, specialists, and sports fields? In actuality, it is absolutely impossible. There are also the more serious visual problems. There are children who need very special nutritional programs. There are those who are blind. They need special care; that is obvious.

Recently, we inaugurated a special school for the physically handicapped. What did we used to do with the physically handicapped children? The teacher would send them home. But try to imagine a child isolated his entire life in his home. Even if he is taught to read and write, he does not have friends. He practically has no social life. Now that we have the first school of this type, we have to build one in the eastern provinces and one in the central part of the country. We need approximately three of them; that is not a very high number. We must also look at the schools and the facilities they have, the sports facilities the children have. They have the opportunity to travel in special vehicles. These schools are boarding schools. The children are taken home on the weekends. They go on field trips. I think a whole world of experiences opens up with these schools. The school was inaugurated and designed for such cases. The school was very expensive to build. The hallways, rooms, and bathrooms had to be a certain width.

There are some children who may be missing an arm. They may be missing both arms or even legs. I think that the attention and education given to such children is a science. Even maintaining their health is a science. Maintaining the health of the handicapped is difficult. They are taught how to take care of themselves, to get out of bed, to go to bed by themselves. They are taught everything, because they are overprotected at home.

That is why I think this is a topic that can be discussed. We will gladly share all the expertise we have accumulated in this area with you, just like we would like you to share with us all the experience you have gained in your countries. There is always some kind of school. If there is no system for all the children who need it, there is at least one school that has what they need. There are certain schools for certain children. Each time we have to resolve a problem, we have to resolve it for everyone.

I think that you developed a motto, an idea here: Everyone can learn from everyone else. Everything we do has to be done for everyone. The same has to be done for everyone. [applause]

I have extended my talk on the topic of special schools because it seems to me that it will be the subject of future analysis and discussion. As I told you, during Pedagogy 86, we had about 40,000 children enrolled in school. We then discovered that there were more than 80,000 children that needed special schools. Out of a population of 10.5 million, there were about 85,000 children that had the characteristics I described to you. They came from areas that had certain problems; some were greater than others. We are developing that program. We are creating facilities for the 85,000 children and adolescents in several types of schools that were especially designed for this purpose.

Life will have the last word. We can learn many things along the way, reflecting on all of this. We have chosen the road of special schools from experience. It is possible that I have not mentioned everything about this program. We have new things in Pedagogy 90 that we did not have in Pedagogy 86.

I understand that this is a congress that.... [changes thought] Fernandez? [laughter] What was Pedagogy 86? It was a congress, right? Many presentations have been made at this congress. I heard that high-quality presentations were made by Cuban personnel, as well as by visiting personnel. I will not call you foreigners after... [interrupted by applause] I cannot call you foreigners after you approved a declaration citing the necessity for unity and integration. This is why we have to call ourselves by a different name, perhaps Latin Americans or something else. We will give this responsibility to the philologists, right? What are the specialists in this area called? [laughter] They will have to decide what to call us. The Spanish call us pan-Americans. Others call us Latin Americans, while others say that this is not correct, but we could call ourselves brothers. Do you not think so? [applause] Thank you.

Thus, I can say that our visiting brothers made very good presentations. I have also been told that highly qualified, very highly qualified, personnel have also participated.

If we combine everyone's experience, everyone's intelligence, the best intelligence, I think that we can accomplish a lot. There is no doubt. If we get results in this area [claps twice], we will also get results in other areas. We will achieve this in other areas. [applause]

We can almost say that there is no integration without education. Our ignorance is what is exploited. [claps hands once] That is what our oppressors and exploiters take advantage of. They exploit our lack of knowledge, not just basic knowledge, but the lack of knowledge in technology and science. Industrialized countries rob us with technical-scientific development. This is a tool used for robbery, although it is not the only one.

How many minds have they stolen from our people, from our hemisphere? They have stolen tens of thousands, hundreds of thousands from us. I do not think that there can be a worse crime than stealing the minds, the brains of the people. Many of the minds that were

stolen were often the most brilliant. Fortunately, not all the brilliant people were stolen. They not only steal raw materials, money, currency; they steal intelligence and they pay absolutely nothing for it even though the country may have invested in them. That is why this matter of uniting, joining our forces, to mutually support, help, and teach ourselves, so that we can all learn from one another, is something that is vital for the future of our peoples.

The declaration that we heard here is a real jewel. The statement is very well written. You cannot expect anything less from teachers. [laughter] The declaration is excellently written. [applause] It is expressive and forceful. I am not talking about the part that gives recognition to our country. I am not thinking about that. I am thinking about the tacit ideas that were expressed in the declaration, the vigor with which those ideas were expressed. There was no extremism or exaggeration. Ideas and questions were expressed with feeling, eloquence. There is no book that can convey with a few paragraphs or questions the essence of what we have to do if we want to be... [changes thought] if we want to survive the future, if we want to be part of this world with full rights and with complete independence, liberty. Ignorance leads us toward slavery and it will enslave us more each time. Without education, we cannot even begin. We must start with education.

Today we have almost 40,000 doctors, compared with the 3,000 doctors that were here at the start of the revolution. Now we graduate about 4,000 doctors a year because we gave a lot of attention to their education from the start. If today we have hundreds of thousands of university professionals, it is because we began by fighting illiteracy and because we took schools and teachers to the farthest corners of the country. [applause]

We have thousands of scientists now. A kind of scientific explosion is occurring in our country. A few days ago, we met in another hall in the Palace of Conventions with representatives from scientific institutions. A kind of explosion is occurring because we began by fighting illiteracy.

If today we have almost 300,000 professors and teachers from all levels, it is because we began by fighting illiteracy. [claps hands once] When the revolution triumphed, 50 percent of the children had no education. What a struggle that was. Children would drop out of school or would be behind in their education. What a struggle those problems were. The victories make one forget these memories. It was a long road to attain what we have and the hopes we have today. It is a privilege that we can see everywhere. There are dozens and dozens of university technicians in any agricultural enterprise. At first, a man with a sixth grade education replaced the capitalist worker there.

You can see engineers on the job at construction sites everywhere and you can see them leading construction brigades. This is possible because we began... [changes thought] Above all, I confess that in the fields of medicine and science, we are making considerable progress. Progress is so considerable that I feel that in the area of medicine, not much time will pass [claps hands once] before we are among the gold medalists, gold medalists [repeats himself].... [interrupted by applause] Vast possibilities exist for our country in the field of science.

Ha! What a great thing it is to have things that some of the largest multinational firms of the United States do not have. [applause] What a great thing it is for us to have equipment that they do not have, to be ahead of them in several kinds of equipment, to have medications that they have, but of better quality. [applause] I do not know what kind of product they can manufacture that we cannot make ourselves in the area of medicine. I also ask myself if they can compete with us in the production, quantities, and qualities of those products. Many of these things are made from the raw material that we have here and in unlimited quantities. [claps hands once] It is not just one or two products. We manufacture many products, and new things are emerging every day. For instance, we are now testing our vaccine against hepatitis. We compare this vaccine against the only other one that is made by a multinational firm. Our vaccine, modesty aside—we gain nothing by being immodest [as heard]—is much better. [applause]

A multinational firm has the epidermic growth factor. We also have it. There are laboratories abroad that have compared the two, and our epidermic growth factor is much more, several times more effective than the multinational firm's epidermic growth factor. That is very good, very good [repeats himself]. We have the antimeningococcus vaccine, which no multinational firm has. We have already resolved this, and we are working in many fields and on many things. I am not going to divert from the topic of education to discuss medicine but I want to cite it as an example of the only way we can make ourselves independent.

They have interferon. We also have very high-quality interferon. [claps hands once]

They are nervous. They recently lowered the price of albumin. They sold it for $80, while we sold it at a more reasonable price that was less than half of the price for which they sold it. The multinational firm quickly had to drop the price of albumin. [applause]

Unfortunately, epidemics that we have experience in, such as hemorrhagic dengue, have broken out in some countries, such as Ecuador. Ecuador contacted Cuba and we shared all the information and experience that we accumulated from the tremendous epidemic we had. We still have great doubts about the source of that epidemic. Dengue epidemics have also broken out in Venezuela and Colombia. It is a threat to several countries in our America. The doctors quickly had to organize all the information we accumulated on the disease and on what we did the epidemic, how we treated it. No one was able to give us that kind of experience. No one could tell us

how to treat it, what medications to use, what risks were involved, what should not be done, how to fight the mosquitos. That mosquito is a hunter. It is not easy to combat. The mosquitos almost have to be hunted down one by one. [laughter] We created an organization to keep the number of those mosquitos down to zero, or at almost zero. They not only transmit hemorrhagic dengue and other types of dengue; they also transmit yellow fever and other disease.

Our accumulated experience is at the disposal of our Latin American brothers. We know how to combat the disease. We know what medications to use, the effect of interferon.

We had a camp during the dengue outbreak in the city. The logical steps were taken. We did not want to cancel vacation plans or other things. I asked: Where will the children be more secure? Will they be safer on the coast where we can house about 20,000, or in their homes? I said: There is no doubt they will be safer there. Vacations were not suspended for the tens of thousands that were attending camp in the capital. It is easier to control a small area that has no mosquitos.

The campers came from several parts of the city. We had to know what to do if they brought the virus with them. We had to guarantee an immediate diagnosis, and we had to immediately apply the best techniques. We used interferon, which we had just begun manufacturing. It is effective against viruses. Not one of the children that got sick—they did not get sick there; they carried the virus—became seriously ill. The efficiency of certain medications was demonstrated.

We Latin Americans can now help each other in similar situations. There are many areas in which we can help each other. We are becoming less dependent on the empire which wants to have a monopoly on everything, especially on technology and knowledge. Independence is not a flag or an anthem or a shield. Independence is not a matter of symbolism. Independence is a matter of development. Independence is reliant upon technology and science in today's world. How can we attain this without education? How can we compete without education? How can we operate modern equipment without education? Everything today is done by computer. How can we remain free in the computer era by remaining illiterate?

We must begin with education. I say this because I am aware of the role that you play and must play in society and in this hemisphere. That is why you also said this. I looked closely at the short paragraph in the declaration which says that we spend a lot of money on weapons and we cannot defend ourselves from those that are tearing us apart. [claps hands once]

It is very clear where we have to make our investments: in education. I would say we have to invest in education, health, and many other things, but I would begin with education. [claps hands once] If we want development, if we want another kind of life, if we want to occupy a place in the world, we have to work on this field, and we have to make everyone aware of this.

What policy do our looters and their institutions follow? The first thing they eliminate is education when they impose, through the IMF, restrictive policies. The first thing they close are schools. The first budgets that are affected are those of education, followed by health and social security. I say that the educators are and must be vanguards of the liberation of our people, in the real sense of the word, to attain independence. They must be vanguards of the integration of our people. They must be more vanguard than soldiers. This fight could be much more difficult. It is much more complex, much longer. Awareness must be raised from the start. I will not go into ideological matters here now. There are some things that we all see clearly whether we are Catholic or Protestant, Moslem, Hindu, animist, Christian, Marxist, socialist, or nonsocialist. We are nothing. That is to say, we are being looted. A terrible future awaits us, a future of slavery, dependency, repression, and looting.

You said it in the document; that is why it seemed so good to me. You said that if Europe unites, why should we not? That is what the declaration says. That is an essential truth. The American Constitution, the Bill of Rights, became famous because it had a number of self-evident truths, as they call it. They are only evident to them, not to anyone else. After they stated the self-evident truth that each man is born with equal rights, etc., etc., etc. [repeats himself], they had slavery for many years. They had tens of thousands of slaves. None of those rights were evident to slaves or to women. [applause] They were not evident to children. They were not evident to children. [repeats himself]

You said that in your declaration. If the Europeans unite, why... [changes thought] It is so simple. That is what the masses want, something very clear, very simple.

After a century of war, I want you to tell me if in Europe you can have a congress such as this. Bah! If a German stands up to speak, no one can understand him. [laughter, applause] If a Swede stands up to speak, no one will understand him because he does not speak English. Not everyone speaks English, although we have had no alternative but to teach English, and even we teach a lot of English. Since the colonialists imposed that language upon us, we should get something out of it even if it is only a means of communications for technical books, which are all in English. No one is concerned about translating these books into Spanish. They think: Why would we give them a technical book? No one translates these books into Portuguese.

A Frenchman may get up to speak. Not everyone speaks French, Italian, Spanish, or Dutch. I have no idea what the Dutch language is like, if it is similar to German or not.

They cannot have a meeting like this without having about 700 translators. [laughter] Everyone has that little apparatus on their ear with the cord that they twist and

play with, which is what many of us do. [applause] You cannot catch the nuances. You cannot even understand them, and they are holding a meeting!

They forbid us to even meet. I do not want to get into an argument with anyone because it would be discourteous on my part to criticize anyone here in this brother hemisphere. But, damn it, we do not meet only when Washington calls us. As I have said before, if Washington points its finger like this, everyone jumps. If Washington says no, nothing happens. [claps hands once]

The Europeans, the political leaders of Europe, meet almost every month. In Africa, they meet at least twice a year. We do not even meet twice. We have not even met once in a century, to tell you the truth, on our own account. It is true. We have not met even once on our own account. The last time we met was when the Torrijos-Carter treaty was signed. They called us and everyone went, even Augusto Pinochet. They say he got all dressed up. [laughter] He wore a civilian suit. That is what informed sources say.

It is a parody in Central America. However, I said I did not want to speak ill of anyone, except our neighbors. [laughter] Naturally, they are excluded from all benevolence, decency, and consideration. Well, I am basing this on what you said in the declaration. [laughter] It is very clear that we must fight to unite (what?)... I think that these activities help, and others even more. That is why the idea of founding a Latin American Teachers Association made me very happy. It seems like a very good idea to me. This was a very important decision. I think you discussed it a lot. Maybe you will even continue discussing the idea for a higher-level Latin American institute for teachers.

You talked about something similar to the film school, which is important. The film school is also a means of liberation, because the United States crushes us. Latin American films are not shown on their international networks. Instead, they send us all their prepackaged trash and we are forced to watch it. In Latin America there are some large television networks. All you see are commercials and the prepackaged trash. Some things are also good; I will not say they are not. However, there is a large number of firms doing this—I do not know the statistics. The firms get annoyed with one another, because what is shown in the morning is destroyed by noon, afternoon, or at night with all their violent materials, pornography, and all that. The teacher must feel that more than anyone else. Figure out whether or not this makes us mad. We do not have a television network here, but they want to beam that trash over here, by force. What kind of respect is that for the rights of other countries, people, and their cultures? That is what they want to do. They want to send their poison, all that toxin. It was very sad for me to read one day in a book that polls showed how many people knew that little mouse, Michael. Mickey Mouse? I do not know his name, and they knew the other one, too. What is his name? [Someone from audience answers: "Donald Duck."] No, it is no longer Donald Duck, it is that ghost. [Someone from audience says: "Superman."] That is right, Superman. The polls showed that 20 percent of the youths knew the liberators of our country, but that 90 percent of them knew who Superman and all those characters were. What a way to indoctrinate, poison, and to alienate people and destroy their honor, pride, and history. That is we reality we are seeing. We are seeing this constantly.

The idea of founding a teachers association seems to me even a more important idea than the film association, because it deals with a more sensitive sector. [applause] You will decide this, or in the future it can be decided by the association when you are already organized and founded. The only thing we can do is to offer our cooperation, with pleasure, to any institution of that type. I imagine the institution would have to be an even larger one than the film school. I know what the film school is, as well as its expansion plans. It was a school that was adapted and is now an institution. Maybe among the 16 higher-level institutes that Fernandez has, or will have, he one day discovers he has an extra one. [laughter] We could even use that one. We would do it with pleasure.

Therefore, this is what I can tell you about this subject. I know it was one of the subjects that was discussed, and I think it is a good idea. It is also an integrationist idea. The organization could also become a research center with the contribution of the best talents of Latin America in this field. We can cooperate; other governments can cooperate. I am certain that there would be more than one leader who would want to cooperate with some institution of that nature to develop our pedagogy. It would become more like a postgraduate center. I think that is what you have been considering. It can turn into a complete research center for pedagogy. This would be of great use for everyone. Naturally, we must try to obtain the cooperation of governments, but we must not wait for their cooperation to work on the idea. We cannot sit back until all the governments become aware that we must do all these things. We can work on the idea of creating the association. However, I am certain that...[changes thought] When an idea is already under way, it is easier to find support for it. An institution of that nature can be quickly founded. It would be a legitimate child of this meeting, congress. I liked the idea, and everyone can count on our country's cooperation if you decide to carry it out. [applause]

I realize that times are difficult. They are difficult for everyone, even for us. We still do not know what consequences certain processes that are taking place in the world will have on our country. However, we do know that imperialist arrogance, self-sufficiency, and prepotency has grown. What they have done in Panama has shown this in an unequivocal manner. They did not vacillate at all, and they killed thousands of Latin Americans, our brothers. No no has the right to...[rephrases] Just imagine, if any nation were to exercise the right to take care of another nation, we would have

exercised the right to fix the United States a long time ago. [applause] The United States wants to fix everyone else, but does not want anyone to fix it. This has been the case since the time of Simon Bolivar, and I mention once again the phrase used in your declaration. I think Fernandez also used it. Basically, this is the idea: The United States seems to be destined by providence to...[addresses audience] Is that right? [laughter] Look for it, Fernandez. [Castro continues with the phrase] To plague the hemisphere with misery in the name of freedom. Fernandez, repeat it so we can get the phrase right. [Fernandez goes to microphone and reads: "And the United States seems to be destined by providence to plague America with misery in the name of freedom."] [Fernandez leaves, applause] This has been the case ever since the time of Bolivar, which was almost 200 years ago. He said this in 1820, more or less. Well, we are not going to look for the exact date now. [laughter] It must have been around that period. [Fernandez says: "In 1829."] So, that means it was 160 years ago when he said that. However, a few decades later, on the eve of his death, Jose Marti said the same thing. He said that everything he had done, and would do, would be to prevent the United States from extending to the Antilles and from falling like another force on the peoples of America, after Cuba's independence. [applause] It is not a quote, but that is the idea. Cuba must become independent before they take it over and try to use it to take over the rest of America.

It was not Karl Marx, Friedrich Engels, or Lenin who said this. It was Bolivar who said it. Are they capable of accusing him of being a communist? [applause] It was Marti; he practically wrote it with his blood; he said it the day before he died. I think Fernandez also mentioned that in his speech. Are they going to accuse Marti of being a communist, a Marxist-Leninist, a subversive, and a terrorist? [laughter] Just imagine, he must be a terrorist because he started the second war of independence. It was the eminent people and Juarez who talked about the right to peace. [applause] Which of the great people in our history has not defended the ideas of the unification of our countries? Which one of them did not foresee well in advance the problems we have today? How many times did Marti talk about that? He knew the monster very well; that is what he decently called it. [laughter] He lived among them. What a vision those men had! They proposed the need for unity. They foresaw everything that is happening to us today. Yes, they predicted it. We are to blame for a good part of it, if you do not realize this, and if we do not fight to overcome this. They talked about everything we are going through. We also mentioned Sandino here, and Vigot [Venezuelan delegate to meeting] also said something. I think [word indistinct] was not there. It was a great phrase. They talked about fighting in Nicaragua against the Yankee invaders. Most of Mexico's territory has been snatched away by the Yankee invaders. They took it all. And now, if you let them, they will take the rest. I hope they will not be allowed to do it. The Mexicans won't allow it. [applause] You know that I really like and have great admiration for the Mexicans and their history. But you know, they have that neighbor right there. We are brothers in many ways, but in one way because we have the same neighbor—pirates, filibusters, conquerors. It is a country that should have been fixed.

You have talked about what we are going through. I will not repeat everything that has been said about the foreign debt. We spent the entire year of 1985 holding meetings, fighting the great battle, and explaining what was going to happen with the foreign debt. The foreign debt was plundering, as well as unequal trade. Every time things are sold to us at higher prices and they pay less for our products. They plunder us in all possible ways. They dump products and apply tariffs. They do everything. I will not talk about that. I think you talked about it a lot, and you expressed yourselves unanimously on the consequences that plundering and the debt have on your field.

But we were talking about Marti, and I wonder how many dreams he had about the future, how many things he may have said about the future, how much hope he must have put into that future. Not only Marti, but Bolivar and Juarez as well. What best represents the incredible situation we are experiencing? Yesterday I found the answer in the words of a poet, an illustrious Latin American poet.

The poet was visiting the capital city of an important country—a city, a large city of an important Latin American country. I do not know what it was he was doing; perhaps he was sitting down enjoying a refreshment in an open area. He said he and a friend sat there for two hours. He said that he was approached by beggars 150 times; in an hour and a half, he was approached 150 times by 150 beggars and asked for money. That says it all. And we know this is the truth. No doubt the poet must have a noble and generous-looking face. [laughter] His noble and generous-looking face must have encouraged all the beggars who came his way. [laughter] We know there is a lot of poverty out there, so we are really far from achieving the dreams of those who forged the independence of our peoples.

Of course, that neighbor that plunders our wealth, that same neighbor that is the main supporter of the world plundering system, also has its beggars. I am sure that if our poet were to visit certain areas of New York, at least 80 beggars would ask him for money. Despite all their wealth, you will find hundreds of thousands of men and women sleeping in the street and using newspapers for blankets. I have heard that—this will give you an example of the kind of society they have, the dirt they have [laughter, applause]—many of the old people who slept on the street died during the recent cold wave. It has also been said that when those cold waves are announced, many of those people who have no place to go will do anything to get themselves thrown in jail so that they can protect themselves from the cold and have something hot to eat. That is the truth. But of course, we

have more beggars than they do. They have a lot of money; for centuries they plundered this wealth from the Third World countries. That is their money-making society, their society of consumers, the society they want to impose on us.

In many of our Latin American countries, you will find children wearing no shoes, begging, swallowing fire, and cleaning windshields to make some money. At the child's side, you may find a magazine. The best paper is used to print this magazine that shows a shiny and luxurious car on the cover. A sophisticated blonde woman, painted from head to toe, is standing by the car—they always use blondes for things like this [laughter]—and she is telling the reader: Buy an Oldsmobile, or something like that. I am not interested in giving them free propaganda; all the propaganda in the world will not get their product sold, because their cars are becoming more and more inefficient and expensive. That is why many people prefer to buy Japanese cars. I am not afraid to mention brands.

I was exploited once. [laughter] There were some Oldsmobiles among the cars abandoned after the triumph of the revolution. I recall that in the early days of the revolution, I drove an Oldsmobile. One day I saw a General Motors advertisement that read: Castro drives an Oldsmobile. I never got a single penny for that. [laughter, applause] However, our beggars see those advertisements and I wonder what goes through their heads when they do. Do they feel that the only way they can get women and have romance is if they buy Oldsmobiles? They associate sex with the dreams of the people. What can the beggar do? What can the tens, hundreds of million people who will never be able to own such a car do? Fortunately, they do not need the car to get what comes with it, be it a blonde or dark-haired woman. [laughter] We have lots of them in our hemisphere, many more and of better quality. [laughter, applause] But that is the sad truth.

Men who do not have shoes to wear, food to eat, or money to pay the doctor; men who do not have homes or who have to live in unhealthy neighborhoods—many times they are a majority in many cities—are being led on by this kind of propaganda. Fortunately, all of them do not own cars. We are finishing off the world's oil supply and we are contaminating our air; all the abuses committed with fuel are having an effect on the atmosphere. What kind of a world would we have if every Latin American had a car, if everyone in China had a car, [laughter] if everyone in India had a car? But that is the kind of society they promote. That kind of society is not good, and our countries cannot use it as an example for our societies. It is madness imposed with force and arrogance, through technological, scientific, and financial domination; madness imposed on the countries they plundered to get the money they needed to develop. When they developed, we did not have the empires we have today, empires that have a monopoly on everything, empires that control everything.

That is a difficult road for any small peoples of the Third World. What can it manufacture—television sets? Who will it compete with—the Japanese? Will they have billions [unit not specified] to sell the product on credit? What will they manufacture—refrigerators, automobiles, and airplanes? What is the destiny of the Balkanized [balcanizados] countries of our America? What place will they hold in the 21st century? What place will be left for them? What will their role be if they do not unite, if they do not integrate in a world where Europe is united, integrated? Japan is a great power. The United States is a great industrial power. We ask: What place will be left for us?

Our liberators—Sucre, Bolivar, O'Higgins, San Martin, all those people you mentioned, Juarez, Morelos, Hidalgo—had a gigantic task. I say that we have a much more difficult task now. One almost envies the obstacles our forefathers faced to fight for the destiny of our peoples. The task is more difficult and complex. We must know that. We must be aware of that. It is not my intent to bring up a political topic. There is a policy that is the science of true policymaking. It is not politicking.

I was very impressed to see you write that declaration with such clarity and bravery. I think it will have repercussions. We should circulate it as much as possible, even if it is done by machine. We should circulate it. The declaration even mentions the monopolies, which oppose our progress. The declaration even mentions the monopolies on the media, those people, or those who think like them and act on behalf of the empire's interests. It is very important that the professors and teachers think like this, with clarity.

We were talking among ourselves about the importance of the teaching sector, which generally has its roots in the humble sector of the population who, with sacrifice, have been able to study, to become teachers, and professors. This sector, however, does not exclude a lot of people who had more opportunities to study, who had more resources, but were able to acquire this awareness. This noble work teaches a lot. It educates a lot. People suffer in this work, just like doctors suffer. However, the doctor is more susceptible to the influence of these societies, the money, the desire to become rich. There are many, thousands, dozens of thousands of brilliant professors and teachers who work for a modest income. The medical sector is a little more vulnerable to all the temptations of wealth. It is very important that the teachers have this clarity of vision in Latin America.

Someone mentioned the next pedagogy conference. We must set a date for it. I remember the first one. The idea of repeating the meeting is the result of the excellent meeting we had in 1986. It was so good, so useful for everyone that we suggested it be repeated. It was scheduled for 1989. I do not know why it was delayed a year. We feel that this congress should meet every three years. We can meet every three years. [applause] I suggest that we do not wait four years for the next pedagogy congress. Many things happen in four years. The next meeting

should be in 1993. It will be called Pedagogy 93, Pedagogy 93 [repeats himself]. [applause]

What is it called? What was the phrase you attached to it? [Crowd answers: "Educators Congress for a Better World."] Educators Congress for a Better World, right? [applause] If this world ever needed these congresses, if the world ever needed them, it is now more than ever, now more than ever [repeats himself]. [applause] The world that others are now organizing has nothing better to offer those of us from Third World countries. The world that others are organizing for us, that is being offered to the peoples of the Third World, is the worst possible one.

We have mentioned all sorts of statistics here. [claps hands once] We have spoken of health problems, the problems of children who die every year in this hemisphere, for example. We have discussed what UNICEF says about it. They have told us publicly that 800,000 children, who could be saved, die every year—800,000 children. Thousands of children do not make it to the classrooms where you teach. In 10 years of teaching in Latin America, almost 10,000 children that could make it to the classroom do not get there. It is not because they have no school; it is because they died. The statistics are impressive. We have been told this with statistics and they have told us more. I am going to tell you what they said. If other countries had the infant mortality rates that Cuba now has, 800,000 children would be saved each year. That is the number of children that would be saved, but what about those who do not die? How do they get food? What kind of mental development do they have when it has been scientifically demonstrated that without adequate food, intelligence, intellectual abilities, are underdeveloped? Of those who die and who do not die, [claps hands once] what kind of life awaits them? How many reach the age of five? What is their life expectancy? How do they live, and above all, how will they live in the future?

Meanwhile, 14 million die throughout the rest of the Third World. That statistic is well known. It has been cited extensively. About 40,000 people die a day, 40,000 people a day. That is 260,000 [as heard] a week. That is a reality. The imperialists do not discuss this terrible reality when they discuss human rights. Every year, the imperialists try to make us take the defendant's seat. Why? It is simply because of the revolution, because they will not accept the revolution. They will not accept that justice. They will not accept that rebellion. They will not resign themselves to Cuba's example. We can cite simple statistics to show that with only health programs, the revolution has saved the lives of 300,000 children, 300,000 children. [applause] They would have died without the revolution. They not only lived; they received schooling, education, food, opportunities of all kinds. We not only helped our country with our health care program. There are more than 1,000 Cuban doctors working in dozens of countries throughout the world, and we are training new doctors to cooperate with Third World countries. The imperialists do not talk about this, and 14,000 children die. It is a disgrace. It is greatly repugnant that in this world, on the verge of the 21st century, 14,000 children die every year that could be saved. Children from Europe, the United States, England, France, and Japan do not die. The children die in Latin America, Asia, and in Africa—14,000 of them. This is the equivalent of the number of deaths that would result from 120 bombs like the ones that were dropped in Hiroshima and Nagasaki. Fourteen thousand children die during the first year of life—I think that this statistic applies to the ages of one to five.

These are the realities that have been imposed upon us. That is why I say that our task is difficult. Our task is complex, but I think, just as I am sure you feel, that we can and should fulfill it. This event, this effort that you have made, this declaration is an important part of the battle.

I do not want to talk about more political problems today. I do not want to further abuse your patience. We thank you for honoring us with your participation in this event in our country, and we thank you for the words you have spoken, for the generous words that have been said, that were said today for our workers, our people, and we await you again, despite the difficulties. We are optimistic. We not only should be optimistic, we should teach our peoples to be optimistic no matter how great the difficulties. We will meet again in 1993. [applause]

There is a saying that we use here at the end of a speech, at the farewell, which today reflects our confidence in the revolution and our confidence in the future, especially our decision to defend what we have done over these past few years, our decision to defend the victories we have attained. That phrase was already boldly stated by Fernandez when he inaugurated this meeting, which is large and comprised of people from different ideologies, but we have the responsibility of reiterating this phrase as a symbol of our spirit, our willingness to fight, and to assure you that you can continue to count on our country. You can continue to count on us and we will not cheat you. Socialism or death! Fatherland or death, we will win! [applause]

Ambassador to USSR Receives Friendship Award

FL1602040390 Havana Television Service in Spanish 0100 GMT 16 Feb 90

[Text] The Presidium of the Supreme Soviet of the USSR today awarded the Friendship of the Peoples Order to Julio Camacho Aguilera, member of the Politburo of the Communist Party of Cuba and ambassador to the USSR. The decree, signed by Presidium Chairman Mikhail Gorbachev, congratulates Camacho Aguilera for his active work in developing and strengthening the friendship between the USSR and Cuba.

Commentary on Soviet-Dependent Economy Argument

FL1502191890 Havana Radio Rebelde Network in Spanish 1800 GMT 15 Feb 90

[Station commentary]

[Text] Ideologists, political science specialists, and economists from imperialist countries have repeated over and over again for many years—and enemy news agencies have echoed them—that economic relations between Cuba and the Soviet Union have practically been based on a constant flow of resources from there to here without anything happening from here to there. It has been repeated that the Cuban economy is virtually completely subsidized. It has been hinted that our country is a bottomless pit that behaves as a parasite on the Soviet Union and other CEMA member countries. It has been said—and it is still being said—that this flow of resources reaches $5 billion a year.

Many absent-minded people conclude that our country is practically bankrupt and that only that aid could keep it afloat. They forget the fact that Cuba was, and still is, a developing country and that relations with the Soviet Union have been based on trade, with sliding prices creating a mutually beneficial scheme. This is a true example of relations between an underdeveloped and a powerful country, as Commander in Chief Fidel Castro characterized it.

This campaign has also served to hide the unequal trade practices of the most developed powers with Third World countries. Third World countries are ripped off by powerful countries selling them manufactured goods at higher and higher prices and buying their raw materials at lower prices. There are enough examples of this to fill up books.

Evil-intentioned reports about our economy have been repeated so much that today many believers ask themselves what are we going to do, given the current situation in East Europe.

It is neither published nor is there a desire to know that during the years of the revolution, Cuba developed an economic infrastructure to lead toward development; thermoelectric power plants, sugar mills, new nickel factories, mechanical production, and textile factories, among others, are found throughout the island. We already have a growing pharmaceutical industry that produces medicines of great demand in the entire world.

It will not be easy because of the situation facing socialist countries with which our economy was extensively linked to, but our people have shown many times that they rise to the occasion when faced with difficulties. Our concern now is not that of growing, but how and where to grow and how to be more efficient.

Evil-intentioned gentlemen: We are not afraid. We have no reason to be afraid.

Official Discusses Debt Renegotiation in FRG

FL1502161590 Havana Radio Rebelde Network in Spanish 1530 GMT 15 Feb 90

[Text] During a meeting held in Bonn, Cuban Foreign Vice Minister Jose R. Viera and FRG Foreign Vice Minister Helmut Schaefer have examined the current state of affairs between the two countries, giving special attention to the economic area. Cuban delegation sources indicated that the two officials favored the seeking of new means and mechanisms that promote growth within those ties, especially FRG tourists visiting Cuba. Another aspect discussed by the two foreign vice ministers was the renegotiation of the Cuban debt with FRG banks.

Dominican Republic

President Balaguer Gets Clean Bill of Health

FL1502171090 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 15 Feb 90

[Text] President Joaquin Balaguer has said in Houston, Texas that he is in a position to accept the presidential candidacy for the Social Christian Reformist Party [PRSC] for the 16 May elections. The leader of the PRSC made these statements after he found out the results of his medical exam given by Dr. Michael Debakey.

I am encouraged and desire strongly to serve the country, Dr. Balaguer said when answering reporters' questions as he left the Houston Methodist Hospital. However, President Joaquin Balaguer said that his acceptance must be represented by a completely democratic assembly in which all candidates can participate.

Haiti

Panpra Leader Points Out Need for Consensus

FL1502172390 Port-au-Prince Radio Metropole in French 1500 GMT 14 Feb 90

[Interview with Serge Gilles, head of the Nationalistic and Progressive Revolutionary Party of Haiti, Panpra, by Nancy Roc; monitored in progress]

[Text] [Gilles] ...Regarding elections, confidence is an indispensable factor.

[Roc] Serge Gilles, one final question: Should all the political parties unite in a movement to promote nonparticipation in elections, do you think the National Alliance for Democracy and Progress [of which Panpra is a member] would join in with all the other political parties and refuse to participate in them?

[Gilles] No, we have always said it....[changes thought] There is now an international consensus on certain conditions. And we ourselves wish to reach a minimal consensus with all the others. Therefore, if we manage to

reach such a consensus, if these conditions...[changes thought] and we are remaining very open to this—we will go along with that consensus. We have to have a national consensus. If this consensus turns out to be that the conditions for participating in elections do not exist, since...[changes thought] and we reiterate once again: We are democrats. What we are interested in is the opinion of the Haitian people, the opinions of all the components of this people. [end recording]

[Announcer] Gilles also explained that elections are an event during which the population should be able to choose its leaders freely, and that the leaders themselves should have assurances that the proper conditions for participation in unfettered, honest elections exist. Serge Gilles feels that for the time being, confidence has not been reestablished. Gilles does not even detect the beginning of such a reestablishment.

We remind listeners of the Electoral Council's [CEP] position: According to Reverend Pauris Jean-Baptiste, who represents the Haitian Journalists Association on the CEP, the CEP will not change the existing electoral calendar.

PAN Official Interviewed on Elections

FL1502172690 Port-au-Prince Radio Soleil Network in Creole 1000 GMT 14 Feb 90

[Report on interview with Serge Beaulieu, official of the Genuine National Party, PAN, by unidentified reporter; date and place not given]

[Excerpts] [Announcer] The Electoral Law has been published and the electoral bureaus are being formed. However, the political parties are not involved. Most of them continue to keep their distance from the government. [passage omitted]

With the Electoral Law published, will elections return to the forefront? Several political parties give their opinions here. [passage omitted] Serge Beaulieu, a PAN official, says that his is a party of peasants and peasants that never participate in elections. Beaulieu says elections are the business of bigshots. This statement does not differ much from what the government says.

[Begin recording] [Beaulieu] The Electoral Law has just been published. We have not yet read it, for it contains many articles. These are legal matters. You have to read it slowly and carefully before giving an opinion. You cannot give an opinion on an electoral law before you have understood what it means. And people should talk about elections on the basis of the Electoral Law—for it is not a person who gives a guarantee, but the institution. For us, it is not a matter of the individual. It is a matter of an institution.

[Reporter] But since you are the head of a political party and always in contact with your grass roots, according to the tendencies you see developing among them, do you feel they are leaning more toward participating in these elections or toward not participating?

[Beaulieu] The PAN is a party of peasants. Elections have never been important to us. Peasants have never participated in elections. Elections are for city folks. [end recording] [passage omitted]

[Announcer] In any case, among the political class, opinions differ. Some are not into elections; others are willing to participate, but only under certain conditions. Is the Permanent Electoral Council [CEP] going to set the election machinery in motion against the will of those who should participate? If they do, some questions that could be asked are: Who will these elections be for? Who will be participating in these elections? Why? Would it not be a good idea for the political parties to meet with the CEP, after the public excuses the government offered last week?

If, on 29 November 1987, the CEP was too distant from the government and the elections were stopped amidst bloodshed, is the CEP—which is close to the military and which employs members of the Armed Forces to work together with it [as heard]—this year going to surprise everyone and satisfy the people by organizing democratic, unfettered, and honest elections in Haiti?

Eleven Political Parties Sign Joint Communique

FL1502200390 Port-au-Prince Radio Metropole in French 0950 GMT 15 Feb 90

[Text] After deliberations, 11 political parties yesterday issued a joint communique that we will read for you right now. They say that first, the current government has failed at all levels—economic, social, political, and administrative. Second, that the general policy of the personal government of General Avril is the cause of the climate of generalized distrust. Third, that the electoral machinery is, at the level of the central office and the departmental electoral offices infiltrated by shady elements, such as former prefects, (?militia) chiefs, mayors, and members of Conajec [Conseil National d'Action Jean-Claudiste, the vehicle for Jean-Claude Duvalier's political ideas] who served the Duvalier regimes, the Namphy regime, and the current regime. Fourth, that the conditions required for unfettered and honest elections at all levels cannot be reestablished by the current government.

Consequently, the signers of this communique invite the entire national community to verify this failure along with the signers and ask the other sectors of the society to join them in finding, in unity, the ways and means to halt the process of decomposition of the national life.

This joint communique was published yesterday and bears the signatures of, among others: Conacom [National Committee of the Congress of Democratic Movements], SNJJD [Jean-Jacques Dessalines Nationalist Sector], MDN [Mobilization for National Development], MOP [Movement for the Organization of the Country], PDCH [Haitian Christian Democratic Party], PUCH [Unified Party of Haitian Communists], UCH [Union of Haitian Constitutionalists], PAIN [National

Agricultural and Industrial Party], PNDPH [National Democratic and Progressive Party of Haiti], PPSCH [Social Christian People's Party of Haiti], and UPD [Union of Democratic Patriots].

[Port-au-Prince Radio Soleil Network in Creole at 1000 GMT on 15 February in a similar report on the communique adds: "Another five parties initial the communique, but do not sign it. These five parties are: MNP-28 [National Patriotic Movement of 28 November], Panpra [Nationalistic and Progressive Revolutionary Party of Haiti], MIDH [Movement for the Establishment of Democracy in Haiti], PNT [National Labor Party], and RDNP [Assembly of Progressive National Democrats]."

CEP Refuses To Change Election Calendar

FL1502174590 Port-au-Prince Radio Metropole in French 0950 GMT 15 Feb 90

[Written statement from the Permanent Electoral Council, CEP, to the members of the National Alliance for Democracy and Progress, ANDP; date not given]

[Text] We have studied your proposals and do understand your concern. We hope this will not be a sine qua non condition for your participation in the coming elections, because the electoral calendar devised and published by the CEP is in keeping with the wishes of the majority of the population and political parties, groups, and figures we consulted throughout the nine geographical departments of Haiti. Those consulted were a broadly representative sample.

This calendar is the result of the strategy of dialogue and consensus that we have adopted in connection with all our initiatives. It is an indispensable factor for creating and fortifying a climate of security. Therefore, we wish to state explicitly...[announcer changes thought]

The members of the CEP explain that the calendar, as settled on, is the result of a national consensus reached, that the first stage of the elections should be the base of the pyramid—that is, elections for the Administrative Councils for the Communal Sections and municipal elections. The second stage would be the legislative elections and the last stage the presidential elections, which for the great majority of the population, represent a culmination.

Regarding point five of the ANDP's minimal conditions—the presence of international observers at the elections—the CEP has studied this point, and there were no objections whatsoever. The practical ways and methods will be envisioned in harmony with our different partners. It goes without saying that the CEP remains entirely at your service to continue the dialogue begun, which alone can allow the nation to enjoy ba peaceful transition to democracy—so concludes this letter signed by the nine members of the CEP.

We must point out that Reverend Pauris Jean-Baptiste, who is a member of the CEP, said clearly yesterday over Radio Haiti-Inter that the CEP was not willing to change its election calendar. Jean-Baptiste said: We are an independent institution and we do not take orders from anyone—not from the executive branch of the government, nor political parties, nor pressure groups either in or outside Haiti.

Trinidad and Tobago

Robinson Said Disturbed Over Situation in Guyana

FL1502175090 Bridgetown CANA in English 1618 GMT 15 Feb 90

[Text] Port of Spain, Trinidad, Feb 15, CANA—Trinidad and Tobago's Prime Minister A.N.R. Robinson might be considering visiting Guyana and using that country's debt to Port of Spain as a bargaining chip to bring about changes in Guyana, the Trinidad EXPRESS said on Thursday. The paper said that Robinson had been "agonising" over the situation in Guyana "and that he had been discussing the question of an appropriate means of intervention."

According to the EXPRESS, this followed the Trinidad leader's statement on Haiti last week in Parliament calling on the French-speaking state to make certain moves towards democracy or face Trinidad-encouraged economic isolation. The EXPRESS said Robinson had been contemplating appropriate intervention to the "troubling situation in neighbouring Guyana."

"In fact, leading members of the ruling National Alliance for Reconstruction (NAR) have suggested that it would be akin to hypocrisy for the prime minister to maintain his silence on the situation in Guyana," the paper said. "They say there is as much evidence of democracy in Guyana as there is in Haiti and have referred to government's involvement in the situation in Panama."

As part of its upgraded international role, Trinidad and Tobago has taken part in the Organisation of American States (OAS) mission to Panama. "It has been suggested in this context that a prime ministerial visit to Guyana was a possibility at this stage. In such a development, Robinson could well use the traditional close relationship between Trinidad and Tobago and Guyana as a bargaining chip in any talks with the Guyanese Government on the question of democracy and human rights in that country." Of debts run up by Caribbean Community countries to Trinidad and Tobago during its oil-boom days, Guyana owes the biggest chunk.

PRC Minister To Meet With Industry Officials

FL1502230090 Bridgetown CANA in English 2048 GMT 15 Feb 90

[Text] Port of Spain, Trinidad, Feb 15, CANA—China's vice foreign minister, Liu Huaqui, on Thursday began a three-day visit which includes meetings with industrial development officials and manufacturers. He arrived

here Thursday from Barbados. His itinerary began with a series of courtesy calls but also includes meetings with industry-related officials.

On Thursday, he met with External Affairs and International Trade Minister, Senator Dr. Sahadeo Basdeo. On Friday, he is scheduled to hold talks with Industrial Development Corporation (IDC) officials, representatives of the Trinidad and Tobago Manufacturers Association (TTMA), Industry and Enterprise Minister, Dr. Bhoe Tewarie, and Food Production Minister, Dr. Brinsely Samaroo. The minister was also scheduled to visit Point Lisas Industrial Estate on Saturday. On Sunday, he and his team leave for Guyana.

Costa Rica

12,000 Guards To Reinforce Nicaraguan Border

PA1402170090 San Jose Radio Reloj in Spanish 1200 GMT 14 Feb 90

[Text] In the next few days, security at the Costa Rican border with Nicaragua will be reinforced with 12,000 civil guards of the Public Security Ministry on the occasion of the 25 February Nicaraguan presidential elections.

The purpose of increasing security at the border is to provide the residents in that area with all the necessary protection as soon as possible to prevent any incident that could occur during the Nicaraguan elections.

The border sector where security will be redoubled will include from Soley Bay to Barra del Colorado, particularly at Penas Blancas and La Cruz, in the province of Guanacaste.

El Salvador

Cristiani Denies FMLN Statement on Dialogue

PA1502213690 Panama City ACAN in Spanish 2043 GMT 15 Feb 90

[Text] San Salvador, 15 Feb (ACAN-EFE)—President Alfredo Cristiani said today that no date has yet been established for the renewal of the dialogue process with the guerrilla groups, thus denying the report issued on 14 February by one of the rebel leaders.

Ferman Cienfuegos, commander of the Farabundo Marti National Liberation Front (FMLN), had said that the first meeting between the guerrilla groups and the government would surely occur during February or March in New York, with the mediation of UN Secretary General Javier Perez de Cuellar.

Cristiani said the United Nations has begun its initial work regarding the dialogue, "but they are still looking for the conditions that will allow the process' renewal."

The Salvadoran president thinks that by making the announcement the FMLN is "trying to use the peace expectations for publicity purposes and that sends a somewhat negative signal."

Cristiani said that "the Army's military victory over the FMLN is possible, but it would take a long time, and entail a lot of destruction and bloodshed that could be avoided by a political solution that is much quicker."

The Salvadoran president made the statements to the media at the Legislative Assembly, after receiving the authorization to visit Taiwan 18-28 February, with the intention of strengthening commercial relations and cooperation between the two countries.

Referring to the possible conditions the U.S. Congress might establish for its aid to El Salvador, Cristiani said: "The United States has every right to establish conditions for its aid to other countries, but these conditions are aimed at supporting the government's efforts to attain a peaceful agreement."

The United States has given El Salvador more than $4.5 billion in economic and military aid during the last decade, and the U.S. Congress is currently debating the possibility of cutting and conditioning its aid on the renewal of the dialogue with the guerrilla groups or progress in the human rights field.

Cristiani Plans Trip; Views Current Issues

PA1502231290 San Salvador Radio Cadena YSU in Spanish 1800 GMT 15 Feb 90

[Text] President Alfredo Cristiani appeared at the Legislative Assembly today at approximately 0100 to have his permit to leave the country ratified by the legislators. He is planning to be out of the country 18-28 February.

According to Cristiani, the permit has two objectives. He will first pay an official visit to Taiwan to try to establish closer commercial and diplomatic relations with that country. Cristiani also said he will visit Mexico, Venezuela, and other Latin American countries. After having his permit confirmed, Cristiani held an improvised news conference for local and international newsmen at the Legislative Assembly. Asked about a report by U.S. Congressmen who have claimed there are even more people involved in the case of the assassinated Jesuits, the president had this to say.

[Begin recording] [Cristiani] I told them, just as I have said from the start, that an in-depth inquiry into this case is being conducted. I pointed out, however, that we could hardly administer justice by speculating or raising theories on what happened. A serious investigation cannot be based on speculation. We intend to administer justice. The investigating process has moved to another stage. The judicial branch is presently handling the case. The inquiry has moved from an extrajudicial to a judicial phase. The investigation, which will likely yield additional details, will continue. We keep in mind, however, that we would not administer justice if we try to justify anyone's actions. There could be many theories about what really happened. Therefore we are proceeding based on a professional investigation.

[Reporter] Does the presence of congressmen and other Jesuits here put strong pressure on the government to investigate this particular case?

[Cristiani] Personally, far from feeling pressured, I have been congratulated for the investigation that the government and the Armed Forces High Command have been conducting. I see that these people are interested in a complete investigation. All of them have congratulated us for the way we have conducted the investigation. So we have not felt any pressure at all.

[Reporter] [Question indistinct].

[Cristiani] The cable dispatch carried a somewhat negative report. The FMLN [Farabundo Marti National Liberation Front] might be trying again to use this possibility for peace for propaganda purposes. I mention this because we must respect the UN secretary general for his mediation work so the dialogue can be resumed and a political solution found. What the FMLN representative said in Mexico is not true, because the UN secretary general's representative, during his visit two days ago, did not mention any of the points discussed in this press dispatch. We must say, however, that the secretary general's work has already begun. He is trying to set the proper conditions for resuming the dialogue.

[Reporter] [Question indistinct].

[Cristiani] The two invitations he received from Mexico and Venezuela are important. So far, he has only set the date for his visit to Venezuela, on 29 March, if memory serves me. As you know, Mexico and Venezuela have become great supporters of the Central American countries through the San Jose Protocol. Mexico and Venezuela are the largest suppliers of oil for area countries. There are also economic programs that we believe can be strengthened through the agreements signed with these two countries. Mexico and Venezuela are countries that have lately shown the greatest interest in the Central American and Salvadoran problems. You must have listened to President Carlos Andres Perez' stand with regard to Venezuela's support for the process we initiated. Unfortunately, the Caracas meeting could not be held. Nevertheless, the UN Secretary General's visit to Mexico would take place after his visit to Venezuela.

[Reporter] [Question indistinct].

[Cristiani] I have heard nothing about Canada. On the U.S. West Coast, however, there are groups of people who are trying to boycott the importation of Salvadoran coffee. This was explained to us during our visit to Washington. We believe there are legal barriers against this happening. Salvadoran coffee is also cherished in other markets, particularly Europe. The United States has every right to set terms for any aid they grant to other countries. This aid will depend on conditions, provided they do not harm the (?unity) of our countries, and whether we accept it or not. Personally, I saw during my visit that the terms for the aid would not harm our country's dignity. Rather, we feel there is a desire to get the support of the Congress, the Senate, and the administration. All of them have expressed support for the Salvadoran Government's efforts to achieve peaceful accords and to find a political solution to the conflict. I do not think this would pose any problem for the aid. Naturally, there are some who have always voted against aid for El Salvador. This would not be the first time for them to introduce a bill to cut aid for El Salvador. I think the majority of representatives and senators will rather gladly support a peaceful solution to the conflict. [end recording]

Guatemala

Court Acquits Officers Involved in May Coup

PA1602002790 Guatemala City EL GRAFICO in Spanish 15 Feb 90 p 4

[Text] The Fourth Court of Appeals, acting as a court martial, has acquitted Colonel Juan Adenolfo Galvez del Cid and Captain Jesus Antonio Adalberto de la Pena Corado of the charges filed against them for a frustrated military theft, and ordered their release.

Galvez and De la Pena were tried for their participation in the military activity that took place on 9 May 1989, which were termed an attempted coup d'etat by the Cerezo Government.

The court issued a resolution yesterday stating that the decision was based on the fact that their actions do not represent any crime. (They were both tried for trying to seize the presidential airplane, according to the government's accusation.)

Referring to the resolution, legal expert Jose Carlos Acevedo Chavarria said that it abides by and is in accordance with legal norms.

"A correct application of Article 50 of the Penal Code was made," he said. The article states that "only one trial can be carried out for a given crime, and that no one can be tried or punished twice for the same crime."

"The resolutions close the chapter concerning the trial for an alleged coup d'etat attempt on 9 May 1989, because only Colonel Julio Cesar Padilla Gonzalez and Colonel Adolfo Padilla Morales, as well as Major Gustavo Diaz Lopez, are waiting for their release. They are waiting for the appropriate order from the Prisons and Released Prisoners Board suspending their sentence."

Acevedo Chavarria said the resolutions have been welcomed in political, social, and economic circles—particularly among Army ranks—because they indicate there is a willingness to achieve a reconciliation.

Paper Says Drug Trade Moral, Economic Problem

PA1502155290 Guatemala City EL GRAFICO in Spanish 13 Feb 90 p 9

[Editorial: "God Creates Them and Cocaine Joins Them in Cartagena"]

[Text] Tomorrow, the antidrug summit starts in the heavenly city of Cartagena. Paradoxically, this city is one of the main marketing centers for cocaine. The summit will be attended by the presidents of the countries that are most "favored" and most damaged by this drug. The marketing of cocaine produces approximately $7.2 billion a year. This amount by far surpasses the value of agricultural production in coca-producing countries. Deep down, the thesis maintained by presidents of coca-producing countries—especially Alan Garcia of

Peru—is that to eradicate coca production in these countries, other valuable produce that will yield more profits than coca must be substituted in its place. Thus, the presidents request import privileges and high prices. To get an idea of the profitability of coca production, we only have to note that 200,000 hectares of that plant are cultivated in Peru, versus 120,000 of cotton and 230,000 of rice.

U.S. President George Bush takes to his colleagues—Virgilio Barco of Colombia, Alan Garcia of Peru, and Jaime Paz Zamorra of Bolivia— a concrete proposal for a common front against the drug. Some of the presidents believe that the problem belongs exclusively to the North Americans, who consume 80 percent of the processed drug. For others, it is only a problem—like in the Colombian case—because drug trafficking generates corruption and violence, as is the case of the Medellin and Cali Cartels, whose transactions amount to $7.2 billion. In Colombia this represents 3.8 percent of its GNP, employs 3 percent of its labor force, and generates hundreds of deaths. The economic information is frightening, as it is estimated that a total of 1.5 million persons live off the coca business in all the Andean countries, and this includes thousands of peasants. The United States offers economic assistance of $423 million for 1991 and $2.2 billion in the next five years. This amount is ridiculous if we take into account that the coca "business" produces $100 billion a year.

However, the drug-trafficking problem must not be seen only as an economic problem. It is also a deeply human and moral problem. Those who say that it is only a U.S. problem, as their citizens are the ones who mostly die and destroy themselves under the influence of drugs, do not take into account that thousands of our own youth and adults are already drug addicts. Whatever damages one man in the world should affect all of us. The pope says: There will be no peace on earth until there is justice and we consider all men our brothers. The struggle against drugs and drug trafficking cannot be limited to the destruction of production fields. The United States should reform its permissive laws; for example, the one that authorizes a person to carry a "small" amount of marijuana so young people believe that the problem is one of quantity or not letting themselves be caught red-handed. It is necessary that an educational program be implemented in all our countries to make our youth more aware of the dangers of drugs. This struggle should make us stop the business of large chemical companies in the world, as they are the ones that sell the products to process coca. It should lead us to elect morally sound politicians, who will not sell out their countrymen in exchange for money, weapons, or privileges. In the struggle against drug trafficking and drugs, no country can be neutral and no one can remain uninvolved. Man's moral soundness depends on the outcome of this struggle.

Honduras

Military Would Accept Civilian Palmerola Airport

PA1602021190 Panama City ACAN in Spanish 2230 GMT 15 Feb 90

[Text] Tegucigalpa, 15 Feb (ACAN-EFE)—The Honduran Armed Forces have stated their willingess to allow the local Palmerola Base, where 1,200 U.S. soldiers are located, to be converted into a civilian airport, an initiative that various social sectors in this country are promoting.

Palmerola Base is located some 80 km north of Tegucigalpa in Honduras' central region. The United States has had troops there since 1982.

Some deputies of the Congress and Honduran Government officials feel the military installation should be converted into a civilian airport to replace Toncontin Airport in Tegucigalpa, described as one of the most dangerous airports in the world because it is surrounded by hills and has a very short runway.

The idea of converting Palmerola into a civilian installation came up again two weeks ago, when the United States announced that it would reduce economic and military aid to Honduras from $185.4 million to $133.6 million.

Colonel Oscar Flores, chief of the Honduran Armed Forces Press Office, said today that if the government decides to convert Palmerola into a civilian airport, the military would respect that decision.

Flores added that the military is also prepared to accept a reduction in the military budget as part of the measures adopted by the government to overcome the difficult economic situation the country is experiencing.

The military budget totals some $75 million, plus the foreign aid received from the United States, which has decided this year to reduce the aid it gives to the Honduran Armed Forces from $40 million to $20 million.

However, the officer emphasized that a reduction might adversely affect Honduras' security because Nicaragua continues to receive aid from Cuba and the USSR.

He added that while Honduras is facing "the threat of having our budget reduced, Nicaragua is arming itself, thereby upsetting the military balance."

Nicaragua

Arce Comments on Bush's Policy Toward Nation

PA1602024390 Paris AFP in Spanish 2050 GMT 15 Feb 90

[Text] San Jose, 15 Feb (AFP)—The United States' policy toward Nicaragua has experienced "a visible

change" under the administration of President George Bush, asserted Commander Bayardo Arce, chief of the ruling Sandinist National Liberation Front (FSLN) campaign, in Nicaragua today.

Arce, who is in Costa Rica to meet with local political leaders, said Bush has "abandoned the policy of financing a war," which he said is "quite different" from the military dynamic imposed for eight years by former President Ronald Reagan in his relations with Nicaragua.

The leader said that "there is a marked difference" between the strictly military aid to the contras advocated by Reagan and the humanitarian aid supplied by the Bush administration, even though he considered the latter "logistic support" to the anti-Sandinists.

Arce, who predicted that President Daniel Ortega will win the upcoming 25 February elections "by a wide margin," said that "we have some indications"—which he declined to mention —that a "rapprochement" will occur between the Bush administration and Nicaragua after the elections.

Commander Arce announced that the FSLN will make "a significant reduction in the Armed Forces" after the elections because the latter will "solve the peace problem" and allow "the use of the Sandinist Army's technical and human resources" in the country's economic recovery.

Arce termed as "contradictory" the possibility that the Sandinists' leading opposition force, the National Opposition Union (UNO), will disavow the electoral results if they lose.

He said UNO presidential candidate Violeta Chamorro "pledged to accept the results," but other leaders of the coalition have said they "reserve for themselves the right to recognize or reject the international observers' ruling" and to issue their own.

Arce said it would be "complete madness to try to disown the electoral results" because the elections will be supervised by at least 700 UN and OAS observers, the European Parliament, and the Carter Center in the United States.

Referring to the attitude that the Bush administration will assume, Arce said: "We have not seem them organizing a campaign" to deny the validity of the elections.

Bayardo Arce met in Costa Rica with President Oscar Arias and President-elect Rafael Angel Calderon, who will rule the country as of 8 May.

He said Arias had told him that he is "quite satisfied that the complaints he had made a few months ago (about the electoral process) have been resolved."

Bayardo Arce, who described Costa Rica as "one of the first priorities in Nicaragua's foreign policy," believes it would be "completely incongruent" for the Costa Rican Government to issue a statement on the 25 February elections "that contradicts what the United Nations, OAS, or the Carter Center say."

The leader justified his presence in Costa Rica, saying it is necessary to "advance in the exchange with different governments in the area" given that the electoral polls predict an "FSLN victory over its opponents by a broad margin."

According to his estimates, the Nicaraguan elections will cost approximately $50 million, which he considers "a luxury for a poor country, the only justification of which is that it will help end the war."

Contras Ready To 'Neutralize' Expected Offensive

PA1602001190 Panama City ACAN in Spanish 2245 GMT 15 Feb 90

[Text] Tegucigalpa, 15 Feb (ACAN-EFE)—The general staff of the Nicaraguan Resistance (contras) announced in Tegucigalpa today that its troops are on alert to "neutralize" an offensive that they say the Sandinist Army will launch on 25 February.

The Nicaraguan rebels told ACAN-EFE the Sandinists are "deploying large contingents of soldiers" to regions where the contras are operating, in departments in northern, central, and southern Nicaragua.

The Sandinists are "moving their troops" to the departments of Jinotega, Matagalpa, Esteli, Chontales, and northern and southern Zelaya, an anti-Sandinist spokesman said.

He added that the contras have some 6,000 fighters in Nicaraguan territory, and that some 5,000 Sandinist People's Army soldiers have been transferred to the areas of Rio San Juan and Chontales Department, in southern Nicaragua.

According to the contras, the Sandinists are deploying troops supported by heavy artillery and Soviet-made MI-24 helicopters.

"We have instructed all of our units to remain alert to neutralize this new Sandinist offensive," the source said.

Meanwhile, some 12,000 contra fighters stationed in eastern Honduras on the Nicaraguan border are waiting for general elections to be held on 25 February in Nicaragua, to decide whether or not to continue their armed struggle against the Sandinists.

The Nicaraguan rebels have reiterated that they will not put down their weapons or agree to demobilize. The Central American presidents have agreed to their demobilization and have requested the intervention of the United Nations to achieve it.

Staff Communique Urges Contras Not To Demobilize

PA1502174390 Managua Radio Catolica in Spanish 1130 GMT 15 Feb 90

[Text] The general staff of the contras has ordered its fighters not to demobilize until the results of the elections are released. The new general staff of the Nicaraguan Resistance [RN] army charged that the Sandinist Government is trying to convince the contras to lay down their weapons, and it asked the contra troops not to demobilize until after the election results are learned on 25 February, according to a communique released by the contras.

In the document, the contras expressed their support for UNO [National Opposition Union] and its candidate Mrs. Violeta Barrios de Chamorro in the upcoming elections.

Israel Galeano, Commander Franklin, who replaced retired Colonel Enrique Bermudez as general commander of the contras, called on his troops inside Nicaragua not to demobilize until the results of the 25 February elections are learned. The communique reported that four former contra commanders, who demobilized and accepted amnesty granted by the Nicaraguan Government, were given the task of inviting contras in the mountains to demobilize.

Irso Molina, Commander Rigoberto, one of the contras who accepted amnesty, told LA TARDE newspaper that Commanders Diogenes Hernandez, known as Fernando, and Victor Sanchez, known as El Licenciado, were trying to make contact with the contra troops inside the country to avoid further bloodshed on both sides. He said demobilization is not an overnight process, but a gradual one.

The general staff of the contras said dissident groups who have accepted the illegal amnesty granted by the Sandinist dictatorship are getting ready to promote a slanderous campaign to attract part of our forces into disarmament and disintegration.

The general staff has learned that Rigoberto, Fernando, Dumas, and El Licenciado, who are RN army dissidents and are protected by Sandinist state security, will be used to try to convince the contras who are inside Nicaragua to demobilize.

This warning is for all commands to be on the alert, the communique added, and it further warns against all types of traitorous maneuvers.

Borge Not Ruling Out Post-Electoral Alliances

PA1502161690 Madrid EFE in Spanish 0945 GMT 15 Feb 90

[Text] Madrid, 14 Feb (EFE)—In an interview published today by the Spanish weekly "TIEMPO," Nicaraguan Interior Minister Tomas Borge did not rule out the possibility of post-electoral alliances or pacts with the opposition.

Borge, who has no doubt that the Sandinist National Liberation Front (FSLN) will win the 25 February general elections, said that a true concerted effort would be the ideal, but he pointed out that this is impossible because of the extreme anti-Sandinist attitude advocated by the opposition.

The minister pointed out that perhaps political reality will prompt certain people to adopt prudent positions that would undoubtedly find a positive reaction within FSLN ranks, because world changes induce us to adapt our revolutionary processes to the new historic situation.

Borge added that "after the sure victory of the FSLN in the upcoming elections, the National Opposition Union, UNO, whose candidate is Violeta Chamorro, will disintegrate as a result of the great internal contradictions that exist within it. In fact, it is with great difficulty that this coalition has even managed to stay together."

As for Latin America's political situation, Borge believes that numerous conservative parties have an opportunity to reach the government offices, including the party in Peru for which writer Mario Vargas Llosa is the candidate. Vargas Llosa has the best chance of winning, according to the polls.

However, Borge believes that in other countries, such as Brazil, there is a resurgence of the left wing, because radical positions were on the brink of winning the Presidency of the Republic.

As for rumors on possible disputes when the time comes to draft FSLN electoral lists, Borge denied that possibility by arguing that "we have always maintained the position that the FSLN shares a collective goal."

Finally, as for recent statements by Fidel Castro regarding "perestroyka" (restructuring) in the USSR, Borge said that a careful analysis of the Cuban leader's speech could lead to the conclusion that "not only those who want a true socialism based on the basic principles of Marxism have boarded this ship, but also those who wish that it would sink."

Borge: Adviser Drafting UNO Plan for 'Chaos'

PA1602053690 Paris AFP in Spanish 0449 GMT 16 Feb 90

[Text] Managua, 15 Feb (AFP)—Interior Minister Commander Tomas Borge reported on 15 February that the opposition is allegedly drafting a plan to provoke "chaos and anarchy" once the results of the 25 February elections are known.

During a rally in a Managua neighborhood, Borge said that "a Venezuelan adviser is telling the members of the National Opposition Union (UNO) what to do once the Sandinists win the elections."

The interior minister did not identify the Venezuelan adviser. He said only that the person had been sent by "a government friendly to Nicaragua."

Unofficial sources say that the person in question is David Zune, "who has more than 25 years of experience as an electoral consultant."

According to information received, Zune was an adviser to certain parties in the electoral campaigns of Panama and Costa Rica.

Commander Borge added that Zune is an associate of the Venezuelan polling firm Doxsa, whose poll results of 14 February suggest that Violeta Chamorro, UNO presidential candidate and main rival of the Sandinists,' would win the electtions.

Borge said that "certain UNO sectors," which he identified as supporting vice presidential candidate Virgilio Godoy, a liberal, are preparing shock troops for action after the Sandinists' electoral victory.

Moreover, Borge said, they are planning to "take to the streets to cause disorder and promote the notion of fraud."

As a result of this, supporters of the Sandinist Front are being asked to remain "on the alert" in their neighborhoods to prevent incidents, he explained.

In any case, Borge said, "we will use the force necessary to keep those provocateurs from achieving their objective of tarnishing our victory at the polls."

Borge Discusses Mistakes, Elections, Soviet Aid

PY1502163490 Santiago FORTIN MOPOCHO in Spanish 7 Feb 90 p 16

[Interview with Interior Minister Tomas Borge by Monserrat Sans in Managua; date not given]

[Text] [Sans] Commander, has the revolution been an unfaithful bride?

[Borge] No, the Sandinist revolution has been faithful day and night. If we made mistakes, we made them together. No one was deceived.

[Sans] What was the greatest mistake made by the Sandinist government in its 10 years in power?

[Borge] Perhaps the most important was the spending of initial resources, subsidies, and loans on unproductive projects. After the war against Somoza we would not have gone through such a difficult period had we invested the resources. We did not cultivate the seeds. But the seeds were food and we ate the seeds. We therefore had nothing to harvest. We used our budget to improve transportation, health, and education. The loans were distributed in a disorderly manner and in large sums. That, however, was not the main reason for the economic crisis. The main reason was the war, the U.S. sabotage.

Another mistake was not to make a massive redistribution of the land confiscated from Somoza. We advocated a nationalization of the land. This has now been overcome with a redistribution of land to the peasants.

[Sans] After 10 years, have the Nicaraguan people lost some of that initial drive?

[Borge] I feel it was fortunate to have this electoral process because it can lead to two situations: the recovery of the weakened drive and an immediate answer to several simple problems that could not be solved because of the war. I am not denying that the honeymoon of the first years of the revolution is wearing off. The electoral process is helping to revive it. The mutual attraction between the Sandinist leaders and the people has returned.

[Sans] The opposition alliance UNO [United Nicaraguan Opposition] headed by presidential candidate Violeta Chamorro is emphasizing the electoral defeat of the Sandinists.

[Borge] Even the Americans, who are sometimes naive, clumsy, and very often self-centered and arrogant, believe in our victory. If the Americans—our adversaries—believe that, we have more reasons to believe in our victory.

[Sans] Do you plan to negotiate with the opposition alliance after the elections?

[Borge] It should be noted that UNO does not have any future after the elections. The political organizations that make up this organization, however, will survive. Our desire is to implement a policy of national reconciliation, as demonstrated by the unusual decision to free the people responsible for so many crimes, the former Somoza guards and the contra mercenaries. We need not only a policy of reconciliation but a shared responsibility to rebuild the nation.

[Sans] Will there be some nonnegotiable issues?

[Borge] Sovereignty, independence, and the achievements of the revolution. Also, participative democracy, freedom of organization, and our support for the sectors that have traditionally been exploited.

[Sans] You are talking about a commitment to the poor. However, there are still barefoot children in the streets of Managua.

[Borge] After the revolution there was a trend toward boosting development, toward a multiplication of loaves in the desert that we inherited. Privileged treatment was given to children in several social programs. But then the war and the crisis began and those programs stagnated. Crisis means poverty. We are a poor country but we have dignity. This is part of the price that we had to pay for our independence and freedom. Nicaraguan sovereignty has been paid for with the blood of youths, with the blood of the reserve soldiers who go up to the mountains to defend our territory and then return with mutilated

bodies or do not return at all because they were either killed or abducted by the contras.

[Sans] Has Mikhail Gorbachev's perestroyka cost Nicaragua?

[Borge] No one has yet realized that Nicaragua is the most important predecessor of Soviet perestroyka. Political pluralism, a mixed economy, and freedom for the arts have been in force here since 19 July 1979. A long time ago I told the Soviets that socialism should be modernized. From the very beginning, the Sandinist revolution has displayed its heart and its modern outlook.

The fact that the Soviets have modernized Russia undoubtedly implies a cost for us. For the time being this is a negative cost: The numerous contributions, credit lines, and other things that we received from the socialist world have been cut out by the new leaders of those countries. We are therefore compelled to use our own forces. This, however, does not mean an extension of the crisis.

[Sans] Nicaragua, however, has just received Soviet helicopters...

[Borge] The four Soviet helicopters that we received last week are for civil uses. The contras downed four helicopters and we are only replacing the equipment. This is necessary because the contras are continuing to shoot down Nicaraguan civil aircraft. There is a treaty between Nicaragua and the USSR whereby only deteriorated or destroyed weapons can be replaced. Under no circumstances do these four helicopters surpass the approved numbers in the existing treaties.

Commander Wheelock Proclaims End of Confiscations

PA1602041990 Managua BARRICADA in Spanish 14 Feb 90 p 9

[Text] Commander Jaime Wheelock, minister of MIDINRA [Agricultural-Livestock Development and Agrarian Reform], said over the weekend during a meeting with farmers in Malpaisillo, Leon Department, that "private businessmen can rest assured that farming property will be respected because their property-ownership titles, deeds, and rights are sacred to the revolution. As of 1990, there will be no confiscations or expropriations."

Wheelock, a member of the FSLN [Sandinist National Liberation Front] General Directorate, said that henceforth agrarian reform will be directed toward consolidating state property, helping cooperatives, and creating the conditions for producers to increase production and defeat stagnation.

During the meeting, and in the presence of the Sandinist candidates to the National Assembly and municipal councils, producers of various products stated the case of young farmer Fernando Poveda, whose family lost 10,000 manzanas—cattle and all—following the revolution's triumph.

Through various efforts, Poveda managed to recover 350 manzanas of land and 700 head of cattle—but now, supported by his union, he is demanding more land for cattlebreeding.

In response to this situation, Commander Wheelock decided that Poveda would be given all the land he needs "because the government's policy is to offer positive solutions to those people who are willing to work within this process and for this country."

Private producer Edgard Montalvan, meanwhile, spoke of the problems he has had with the 600-manzana farm he purchased from the MIDINRA, although a good part of the land has been occupied over the past several years by a number of peasant families.

The solution agreed upon in this case is that Montalvan will receive credit in capital assets for the value of the occupied lands, so the peasants will not be forced to leave and, instead, their situation can be completely legalized.

The lack of electricity, transportation difficulties, the need for equipment, and bank debts were among the problems openly discussed in an effort to find fair solutions.

Commander Wheelock later held a meeting with farm workers at the Hilario Sanchez and Jorge Sinforoso Bravo de La Paz Center, with whom he discussed the negative impact of low salaries on milk production.

Workers at the center reported irregularities and leadership problems, and they demanded the directors' dismissal, in response to which Wheelock assured them that their complaints were well taken inasmuch as they are an attempt to safeguard the people's interests, and he promised that the situation would be corrected in a constructive manner.

Concerning the salary problem, Wheelock pointed out that as production increases, inflation will decrease, and the salaried workers' standard of living will improve. Nevertheless, he said that the center's salaries must be revised, because they do not compare to those of other sectors.

The Sandinist leader announced that despite the war imposed by the United States, in 1989 production and exports increased by 35 percent over 1988's figures.

When peace is achieved, Wheelock said, the Sandinist government will guarantee stability and reconciliation, as opposed to what UNO [National Opposition Union] would offer, because in the best of cases, UNO would only create chaos by returning lands that are currently in the hands of thousands of peasant families, to their former owners.

LA PRENSA Opposes Punishment for Newspaper

PA1502212990 Managua LA PRENSA in Spanish 12 Feb 90 p 3

[Text] For ethical reasons and because of the need to keep the electoral campaign on a high level, we have protested EL NUEVO DIARIO's trite comparison of UNO [National Opposition Unity], which represents a respectable effort at democratic unity, to the National Guard [GN] and its black history.

This complaint, however, should lead no one to believe that we agree with the suspension of EL NUEVO DIARIO, a punishment that the government wants to administer against the paper's board of directors for refusing to obey a Supreme Electoral Council order.

We oppose all measures against the freedom of the press. In this particular case, we believe it would be sufficient punishment for the paper to have to put up with the shame of its own language. It is the only paper that has been disqualified for its less-than-appropriate language during the electoral campaign. The fact that this was called to the attention of thousands of international reporters and observers is punishment enough.

As newspapermen, we hereby request that no legal sanction be applied against EL NUEVO DIARIO.

UNO Member Arrested; Candidate Not To Run

PA1502194690 Managua Domestic Service in Spanish 1200 GMT 15 Feb 90

[Text] Edgar Gonzalez Robles, the UNO [National Opposition Union] poll representative in Matiguas, Matagalpa Department, is under arrest at the local Sandinist police station, charged with attacking Julieta Jarquin, a 17-year-old member of the Sandinist Youth. According to an official report, Jarquin was doing some campaigning in Matiguas when the UNO poll representative beat her.

Citizen Francisco Jose Villavicencio Gutierrez has notified the Supreme Electoral Council of his decision not to run as a candidate for alternate council member on the rightist UNO slate, claiming he does not approve of UNO's ties with the mercenary forces who are murdering the people. Villavicencio Gutierrez stated that UNO members form an unhealthy opposition—they are sick with hatred and have a thirst for power—who openly fight over the dollars granted by the U.S. Government, which also finances the counterrevolutionaries who murder women, children, and the elderly.

Meanwhile, in Masaya, UNO members are going door-to-door offering $10 for the residents' voting cards in an effort to take away votes from the other political parties in the forthcoming elections. This is a flagrant violation of electoral codes and ethics.

Panama

Arias Says No Renegotiation of Canal Treaties

PA1602035090 Panama City ACAN in Spanish 2056 GMT 15 Feb 90

[Report by Antonio Martinez]

[Text] Panama City, 15 Feb (ACAN-EFE)—Panama "sees no need" to renegotiate the 1977 canal treaties or the presence of U.S. military bases on the isthmus beyond the year 2000 with the United States, First Vice President Ricardo Arias said today.

The only change in the treaties, he said, will be to annul an agreement that placed the waterway's entire coordination in the hands of the dismantled Defense Forces led by Manuel Antonio Noriega, a task that will now go to the Foreign Ministry.

During an interview with a group of international reporters, Arias stressed that the government [words indistinct] will "completely fulfill" the treaties signed in 1977 by General Omar Torrijos and then U.S. President Jimmy Carter.

When asked by ACAN-EFE about recent statements by Panamanian Foreign Minister Julio Linares that favored changing the 1977 agreement with regard to the canal's "permanent neutrality," Arias said that he "respects" the minister's opinion, but that "the government has not decided to renegotiate the treaties."

"On the contrary," he added, "President Endara says that our current task is to completely fulfill the treaties."

The Torrijos-Carter treaties include two basic agreements—the joint operation of the canal and the presence of U.S. troops on the isthmus until 1999, and the canal's neutrality thereafter.

Concerning the possibility of negotiating with the United States for permanent U.S. military bases in Panama beyond the year 2000, Arias said: "That is not a current issue at this time. We are strictly abiding by the treaties."

In another part of the interview, Arias said there are no pro-Noriega soldiers or government employees under arrest by government order.

There are figures from the previous regime who have been arrested because lawsuits have been filed against them or they are undergoing legal procedures, "in which the government does not intervene," he added.

When ACAN-EFE reminded him that in 1989 he said that he would prefer an "Uruguayan transition" to democracy, with amnesty for soldiers who committed crimes, instead of an "Argentine solution," with the trial of military chiefs, Arias responded that the offer ended when Noriega "hindered a negotiated solution."

Noriega and the Defense Forces, he added, not only refused an agreement with the opposition at that time, but they "incited a traumatic situation (the U.S. invasion) that the Panamanian people did not want."

"The Panama that suffered the traumatic experience of 520 people dead, three to five days of total anarchy and vandalism, and the beginnings of guerrilla warfare, is demanding justice. It was another Panama that was willing to negotiate," the vice president said.

Meanwhile, Arias said that in Panama "there is currently no organized armed group resisting the government."

Nevertheless, he warned that there are still many hidden weapons—even though the Americans have already confiscated 80,000 of them—and "contact networks" of pro-Noriega military, paramilitary, and extremist groups, some of them "trained abroad in guerrilla warfare."

"Those networks are hidden, they may have access to weapons, and in a crisis they could be reactivated," the vice president pointed out.

Other "security risks" for Panama, according to Arias, are the eventual reactions that Cuban President Fidel Castro and the drug traffickers will have to the loss of an "ally" like Noriega.

Arias did not dismiss the possibility that the Cuban regime "which is currently facing difficult times" and is increasingly isolated, may try to "reactivate the hidden networks," because he "gambled in Noriega's favor" and lost "an associate" when Noriega fell.

"It is no accident that Noriega's family chose to seek asylum at the Cuban Embassy," Arias said.

Noriega's wife, three daughters, a son-in-law, and his only grandson, sought refuge at the Cuban Embassy when the U.S. invasion began on 20 December.

Endara Discusses Aid, Latin American Recognition

PA1502195390 Panama City Circuito RPC Television in Spanish 2300 GMT 14 Feb 90

[News conference by President Guillermo Endara Galimany with unidentified reporters in Panama City; date not given—recorded]

[Text] [Endara] We have an ambitious plan to restructure the economy by increasing job opportunities, which is the fundamental problem. We know the basic problem of Panamanians is the lack of jobs. We want to gear up the economic effort of the new republic toward that goal. To accomplish this, we need—and I believe we already have—the people's determination to work. What we need now is the implementation of the plans that are currently being drafted and the economic aid from the United States, Europe, Japan, and China. We will achieve these and we are going to move forward.

[Reporter] Several businessmen complain that they have not received such economic aid so far.

[Endara] Of course they have not received the economic aid, because the government has not received it yet. As soon as the government receives it, it will be placed at the disposal of the national economy.

[Reporter] What steps will your government take to obtain the support from Latin American countries?

[Endara] Listen, our policy is to establish a great democracy in Panama—a clearly visible democracy—where we all breathe freedom and live in justice. Once this has been fully accomplished, Latin American countries will have to recognize us because they are democratic countries that foster democracy. This is going to be our policy.

[Reporter] Latin American countries argue that U.S. troops are still in Panama.

[Endara] This does not matter. This is secondary. What is really important is that we establish a democracy in Panama.

Salaries Established for Top Government Officials

PA1502195690 Panama City Circuito RPC Radio in Spanish 1250 GMT 15 Feb 90

[Text] The president will receive a monthly salary of $3,000, plus $3,000 more for running expenses, while ministers and legislators will receive a salary of $3,000, plus $2,000 for running expenses, according to a new order approved by the cabinet council.

Decree 22 of 5 February established the wage scale for high-ranking government officials, taking into account the disproportion in the salaries of government employees and the serious economic crisis in Panama.

The decree classifies public institutions into four categories, and salaries and running expenses are based on these categories.

According to Category A, the directors and managers of the Social Security Fund, IRHE [Institute of Hydraulic Resources and Electrification], National Bank of Panama, INTEL [National Institute of Telecommunications], National Port Authority, and National Lottery, along with the attorney general, comptroller, and Panama University rector, will also receive $3,000 in wages and $2,000 for running expenses. Magistrates from the Supreme Court and the Electoral Tribunal are also included in this category.

Argentina

Menem Announces Reestablishment of UK Ties

PY1502214090 Buenos Aires Domestic Service in Spanish 2003 GMT 15 Feb 90

[Report by Diego Ibarra from Government House]

[Text] The news conference at which President Carlos Menem announced the resumption of diplomatic relations with the United Kingdom ended a few minutes ago. Foreign Minister Domingo Cavallo afterward reported on the lifting of the military protection zone around the Malvinas Islands as of 31 March.

A temporary system of permanent consultations [as heard] between the two Foreign Ministries and communications between the Malvinas Islands and the national territory have also been established. The following is President Menem's announcement:

[Begin Menem recording] The two governments agreed to reestablish diplomatic relations. Our respective embassies will soon be reopened, and ambassadors will be appointed through normal procedures.

Two [as heard]: The British delegation has announced the decision of its government to lift the protection zone as of 31 March 1990. On that same day, the two governments will implement several measures to consolidate mutual trust and to avoid military incidents. Within this framework, the following decisions have been made:

a) A temporary information and consultation system will be established for the deployment of Armed Forces in the western South Atlantic.

b) Direct communications between the Malvinas Islands and the continental territory will be established.

c) Reciprocal rules of conduct for the Navy and Air Force units of the two countries will be established.

d) An emergency mechanism to facilitate air and sea rescue operations will be established.

e) A system to exchange information on air and maritime navigation control and security will be established.

Four [as heard]: It has been agreed that in the field of fishing the two Foreign Ministries will:

a) exchange information about the fishing fleets in the area and other technical data.

b) This information will be jointly analyzed.

c) Possibilities for conservation and cooperation will be bilaterally analyzed.

Five: A work group on South Atlantic issues will be established. This work group will decide on subjects to prevent (?fishing) incidents. This group will meet periodically, and the first meeting will be held within the next 12 months.

Six: The two countries intend to continue studying the establishment of contacts between the islands and the continent. Within this context, Argentina has expressed its will to facilitate communications and (?trade).

Seven: A visit of relatives of Argentine soldiers buried in the islands' cemetery has been agreed upon. This visit will be coordinated by the International Red Cross.

b) [as heard] An agreement to eliminate the use of visas for citizens of the two countries will be negotiated.

c) The two Foreign Ministries will study the possibility of reaching a general agreement for bilateral cooperation. [end recording]

President Menem acknowledged the feasibility or convenience of general cooperation agreements to promote and protect mutual investments and to promote private investments and prosperous relations between the two governments.

More on Announcement

PY1602004090 Buenos Aires Argentina Televisora Color Network in Spanish 2215 GMT 15 Feb 90

[News conference by President Carlos Menem and Foreign Minister Domingo Cavallo with national and foreign reporters with presidential spokesman Humberto Toledo as moderator on 15 February in the White Hall of Government House—recorded]

[Excerpts] [Toledo] Jorge Gonzalez of NOTICIAS ARGENTINAS.

[Gonzalez] I want to ask the foreign minister if the security agreements over the exclusion zone will be valid for only one year.

[Cavallo] The temporary agreements regarding the information and consultation issues will be reviewed in a year. The lifting of the protection zone around the Malvinas Islands is a definite decision by the United Kingdom. [passage omitted]

[Toledo] Adrian Dickson of REUTER NEWS AGENCY.

[Dickson] Mr. President, are you planning to meet with Mrs. Thatcher, or is Mr. Cavallo scheduled to meet with his British counterpart?

[Menem] I have no scheduled meeting with Mrs. Thatcher, but if an opportunity arises, I do not see any problem in meeting her. Our diplomatic, consular, and trade relations have been reestablished. I do not see why such a meeting could not take place in the near future. As for Minister Cavallo, I think he has already planned a meeting with the British foreign minister. I am not sure.

[Cavallo] In effect. On 10 April, the foreign ministers of the Latin American Group of Eight will meet with the foreign ministers of the EEC Group of Twelve. Therefore, I will meet with Secretary Douglas Hurd. It is probable that we will hold talks similar to the ones we held in New York in the past with another British foreign minister.

[Toledo] Claudio Rigoli of Channel 9 of Buenos Aires.

[Rigoli] My first question is for the president and the second is for the foreign minister. When will Argentina insist on the sovereignty issue again, closing the umbrella over this subject?

My second question: Has the reduction of weapons in the Malvinas Islands been discussed with the United Kingdom?

[Menem] As for your first question, you know that the sovereignty issue, as the two parties have agreed, will be discussed by Argentina directly or in international forums. There is no prohibition on this subject. We are free in this sense. You must have heard the foreign minister's statements and my own regarding the agreements, and we never referred to any prohibition on Argentina's discussing this subject.

[Rigoli] My second question was whether a reduction of weapons in the Malvinas Islands was discussed.

[Cavallo] No, this was not a subject of our negotiations, but it could become a discussion subject for the working group we have formed to analyze South Atlantic matters. [passage omitted]

[Toledo] Jose Comas of EL PAIS newspaper.

[Comas] Does the lifting of the exclusion zone mean that Argentine ships will be able to fish near the Malvinas Islands? As of what date?

[Cavallo] We established a working group to analyze the fishing subject. For the time being we will virtually maintain the status quo. Each country will fish the areas it has been fishing. We will begin to negotiate this subject in the working group for South Atlantic matters. You must understand that the fishing issue is closely connected with the sovereignty issue.

Fishing activities carried out with British permission within the so-called temporary fishing conservation zone are simply an extension of what they consider their sovereignty over the islands. It is the same with the sheep that graze on the islands. Of course we reserve our rights through the formula we established before beginning the negotiations. Therefore, through this working group, we will make progress on this subject. Meanwhile, the two countries will continue with their current activities.

[Comas] Must such agreement be approved by Congress?

[Cavallo] No, the executive branch of each country has the power to sign this kind of agreement. [passage omitted]

[Toledo] Javier Gonzalez of Radio Nacional de Espana.

[Gonzalez] I would like to know about the atmosphere in which these talks were held. What were the most disputed points of negotiation? Were they the military issues or the wishes of the islands' inhabitants?

[Cavallo] The most complex aspects of these negotiations were the measures to reestablish military trust and avoid military incidents, given the kind of subjects we had to discuss, and especially, as everyone knows, the distrustful attitude of the islands' inhabitants. Regarding communications, for example, Argentina has clearly established its desire to reestablish contacts between the islands' inhabitants and Argentine territory without any kind of restrictions. However, the pace with which communications will be reestablished will depend on the will of those who need such communications, such as the Malvinas Islands inhabitants. Argentina wants to respect the interests of the islands' inhabitants. We have repeatedly said this and we will be patient to reestablish trust completely.

We are sure that by means of dialogue, negotiations, and an increased visibility of Argentina before the British public; through more trade, business, and investments; and by our country offering greater stability, possibilities of growth, and the certainty that Argentina will respect the interests of the islands' inhabitants—we will get closer to discussing the essential issue, which is sovereignty. [passage omitted]

Sovereignty Claim Retained

PY1502203490 Buenos Aires TELAM in Spanish 2000 GMT 15 Feb 90

[Text] Buenos Aires, 15 Feb (TELAM)—President Carlos Menem this afternoon said that in his agreement with the United Kingdom, Argentina will not surrender its right to continue claiming sovereignty over the Malvinas Islands.

The president said that our country will make that claim at international forums.

The president also said the resumption of relations with the United Kingdom, "besides eliminating—for good I believe—the possibility of armed conflict, will grant Argentina broad possibilities in the European Common Market and the EC."

Cavallo on Military Arrangements With UK

PY1502222190 Buenos Aires Domestic Service in Spanish 2023 GMT 15 Feb 90

[Text] During the second part of his news conference this afternoon Foreign Minister Domingo Cavallo elaborated on the issue of restoration of full military trust. Cavallo

said a temporary one-year mechanism will be created to work on the issue of military trust, specifically, on transport and ship movements in the South Atlantic. Here is what Cavallo said:

[Begin Cavallo recording] The main arrangements for restoration of trust deal with communication between the two parties in the South Atlantic. A system of radio and direct telex communication will be established between the respective military authorities to reduce the possibility of incidents. Our representatives are the Ushuaia Naval Authority and the Comodoro Rivadavia Air Force authority. The Malvinas authorities will represent the United Kingdom.

There are arrangements for maneuvers. Both sides must give 25 days advance notice through diplomatic channels of movements of four or more ships or planes, of maneuvers that include 1,000 or more troops, or of amphibious or airborne exercises that include 500 or more troops.

These arrangements on maneuvers are applied in the following areas: The British will report on all naval and air maneuvers in an area from south of Bahia Blanca up to the Antarctic including the Malvinas. Argentina, however, will only report maneuvers in a smaller area around the Malvinas Islands.

The president explained that the United Kingdom has decided to lift the exclusion or protection zone altogether. This means that any plane or merchant ship, or planes and ships from the Argentine Prefecture, will be able to freely enter and exit the former exclusion zone without notification or limitation.

Military planes and ships will be able to freely enter the former exclusion zone. However, if planes need to be closer than 70 miles, and ships closer than 50 miles, they must give a 48-hour advance notification of their route and objective. They are only required to notify the Malvinas authority; an answer is not necessary.

Similar arrangements apply to UK planes and ships near Argentine continental coasts. They are reciprocal measures.

The 70 and 50-mile arrangement also applies to warplanes and warships with offensive capabilities. If the notified party believes the presence of a ship will create any inconvenience, it will contact the other party and both parties will jointly decide if the presence of the ship in question is authorized or not. We repeat that this disposition applies only to planes and ships with offensive capabilities, that is, bombers, aircraft carriers, etc. [end recording]

This is how Foreign Minister Cavallo explained the lifting of the 150-mile exclusion zone. In some cases it will have a 70-mile limit around the islands. All ships must notify the other party. The 70-mile limit, however, refers only to Argentine warships. Various joint commissions were created to supervise shipping security and rescue operations in the zone around the Malvinas Islands.

Relations With South Africa at 'Same Level'

PY1502133490 Buenos Aires Domestic Service in Spanish 0100 GMT 15 Feb 90

[Text] A Foreign Ministry source has reported that Argentina is maintaining the same level of diplomatic relations with South Africa. The Foreign Ministry released this information in advance of a report that the UN antiapartheid committee will request from the Argentine Government.

The source said that in the future, and in keeping with the development of events in South Africa, Argentina may alter its level of relations along with the international community.

The source added that President Carlos Menem had sent a telegram to Nelson Mandela on his release. In the telegram Menem conveyed to Mandela his satisfaction and his wish that freedom and democracy prevail in his country without any religious, racial, or cultural discrimination. He also ratified the condemnation of the apartheid regime that Argentina has expressed before all international organizations.

Rossi Appointed Defense Under Secretary

PY1602015590 Buenos Aires Domestic Service in Spanish 1500 GMT 15 Feb 90

[Text] The executive branch appointed Ambrosio Rossi as Defense Secretariat under secretary for constitutional affairs and administrative coordination.

* Integration Efforts With Brazil Assessed

90ET0086B Buenos Aires CLARIN in Spanish 4 Jan 90 p 30

[Article: "Argentine-Brazilian Chamber of Commerce: An Optimistic View of Integration"]

[Text] The economic and social relationship between Argentina and Brazil evidences features characteristic of countries seeking to recast their essential structures in highly conflictive historical stages. This is inhibiting the hoped for growth of bilateral trade between them, although the interchange of goods is substantial, as is also the planned growth of transformation activity in categories such as raw materials, the products of which Argentina has traditionally supplied to Brazil. Although there has been a reduction in volume of the latter, it has been offset by the introduction of other unfinished products with a higher added value.

These specifics are clearly brought out in the Argentine-Brazilian Chamber of Commerce's annual report for fiscal year 1988 (the period between 1 April 1988 and 31 March 1989).

Similar issues burdening relations between the two countries had already been cited by a group of Brazilian businessmen, members of the Chamber, in a meeting with the nation's president, Dr Carlos Saul Menem, which provided a valuable exchange of views, and a blueprint of ideas for pursuing Argentine-Brazilian integration, followed by that of Latin America, and various investment plans.

At that meeting, Dr Menem expressed clearly to his visitors his positive view of integration, which he considers basic to joint development as a community.

Of the agreements signed in 1986 under the Integration and Cooperation Program, those relating to food products went into effect in September 1988 and offer significant opportunities for export. It is estimated that by 1993, 50 percent of such Argentine products will be operating in the free trade area.

According to the Argentine-Brazilian Chamber of Commerce, the timetables projected in those integration and cooperation agreements will probably have to be deferred because of an understandable sectorial struggle or of detrimental effects stemming from lobbying by interests opposed to the program as a whole. But these problems are certain to be sorted out by private initiatives on the part of the business firms concerned, which can be expected to apply their ingenuity and creativity to the task of generating business through joint ventures, cross-linking agreements, or any other suitable means of achieving their planned objectives.

Meanwhile, the agreement relating specifically to capital has yielded substantial Argentine gains. Nevertheless, the overall interchange picture between the two countries is causing concerns at governmental levels, both in Argentina and Brazil.

A trade gap unfavorable to Argentina does exist—the Chamber's report finds—amounting to an accrued total on the order of $600 million, and exceeding the $400-million credit granted it in this respect on a reciprocal basis. A balancing alternative could emerge through the construction of the Northeast Gas Pipeline and the sale of gas to Brazil at the rate of $200-$250 million annually. To this end, Argentina would have to equip itself technologically and invest heavily to ensure success of the project.

Fully aware of its role as a key player in the implementing of economic integration, because of its ability to provide problem-solving answers that take into account the peculiarities of both countries, the Argentine-Brazilian Chamber of Commerce has performed an arduous task of disseminating information to its own members and those of the various sectors concerned. In addition to organizing round tables, conferences, and working groups, creating interdisciplinary teams, sponsoring expositions, funding scholarships, etc., it is firmly committed to carrying the Argentine-Brazilian integration and cooperation message to the decisionmaking levels of businesses able to identify with its problem areas.

In sum, the Argentine-Brazilian Chamber of Commerce's view of the evolution of this binational economic integration process is an optimistic one.

The program continues to be an exceptional and essential tool in the decade that is just beginning. The Chamber argues that what is needed is a broad dynamic region of juncture between Argentina and Brazil, and not a rigid structural linkage. On the contrary, bearing in mind that both countries are beset by macroeconomic crises, problems of political and social openings, and the burdensome costs their respective foreign and domestic debts are generating with no clearly definable limit in view and with their consequent complications, the associative mechanisms must be continually improved upon.

The businessmen alone, therefore, cannot resolve the macroeconomic problems of their nations of origin, but they must know which are the niches of potential business, so as to obviate the effects of those macroeconomic problems in their approach to the making of specific business decisions.

The Chamber considers this approach to be the most realistic, and therefore advocates an intensification of the Argentine-Brazilian dialogue among the two countries' economic, social, cultural, and educational representatives. This will further the acquiring of in-depth knowledge, within the private sector of each of the two countries, as to the opportunities the regional market offers under the agreements being entered into.

[Box, p 30] Services Offered By the Chamber

As it enters its 74th anniversary, the Argentine-Brazilian Chamber of Commerce's situation is excellent. It posted a surplus last year. Its members total almost 300. Its activity in their behalf and in that of the general public has been intensive. It has helped them with exhaustive and up-to-date orientation, guidance and information services.

A listing of the services the Chamber offers includes the following:

- Reports on possibilities and opportunities for trade between Argentina and Brazil;
- Facilitating of contact between importers and exporters;
- A center specializing in statistical data, telephone and telex directories, industrialists and manufacturers guides, customs tariffs, business and labor legislation, yearbooks, etc.;
- A reader system for microfiches furnished directly by

Brazil's CACEX [Foreign Trade Department], providing import and export data, FOB values, quantities, name of the importing firm, etc.;
- Publishing of the BRASIL/ARGENTINA magazine, sole medium for dissemination of official information, and the distribution of which it shares with the Argentine-Brazilian Chambers of Commerce of Sao Paolo and Rio de Janeiro, on the basis of 6,000 copies in each country;
- A library of books and one for newspapers and periodicals (all the specialized publications with wide circulations in Argentina and Brazil);
- Providing of letters of introduction;
- Endorsement of commercial invoices, notarization of information for the promotion of binational trade relations;
- Special discounts at Argentine and Brazilian hotels;
- Door-to-door postal service between Buenos Aires and Sao Paolo;
- Spanish-to-Portuguese and Portuguese-to-Spanish translations;
- Auditoriums with capacities of up to 80 persons, available to members on request, for holding meetings;
- Organizing and/or sponsoring of trade missions;
- Sponsoring of cultural meetings in furtherance of relations between the two countries;
- Organizing of regularly scheduled social get-togethers (breakfasts "a la brasilena," cocktail hours, etc.) for the purpose of facilitating and strengthening contacts between member firms.

* 8,300 Railroad Workers To Be Laid Off

90ET0086A Buenos Aires CLARIN in Spanish 5 Jan 90 p 9

[Article: "Argentine Railways Streamlining Plan Enacted"]

[Text] Yesterday at noon, during ceremonies in the Offices of the Chief Executive, the nation's president, Carlos Saul Menem, signed four decrees enacting an austerity plan for the operational and administrative streamlining of the EFA [Argentine Railway Enterprise]. The plan calls for a 9-percent cutback of personnel employed by the Enterprise, involving a layoff of 8,300 workers, and a curtailment of services presently being provided by the Enterprise. The latter will mean elimination of most of its interurban (long-haul) services.

One of the decrees provides for the compulsory layoff—effective 1 February—of the 5,300 workers whose date of eligibility for retirement falls within the period from 1 January of this year through 31 December 1993. During this period, the workers laid off under this provision will continue to draw their full pay and the employee benefits to which they were entitled by virtue of their official functions as of the first day of the current month.

A second decree provides for the transfer of 1,500 EFA staff employees to the DGI [General Directorate of Taxation]. This transfer is to take place within the next 15 days.

The personnel affected by the latter provision will retain the pay and rank and seniority levels they had attained in the EFA, for 1 year, after which they will be integrated into the DGI operational organization plan.

The third of these decrees provides for the severance of another 1,500 workers in EFA management positions. This measure stems from the creation of the Suburban Railways Administration, which merges the Roca and Sarmiento lines, on the one hand, and the Mitre and the San Martin [as published].

Long-Haul Services

And the fourth decree eliminates most of the interurban (long-haul) services within a period not to exceed 30 days from the effective date of the decree (within the first few days of February).

In this regard, the decree provides that tickets bought with valid dates beyond the cessation of the service called for, may, if possible, be exchanged for others, or the sums paid for them be reimbursed, as appropriate.

In the whereas of the decree eliminating these services, the government states that "the technological advances made by other means of transportation have rendered long-haul passenger railway services noncompetitive, requiring the streamlining of currently existing ones."

It adds that "the decision to do so will permit the recovery of personnel and locomotive resources that will be devoted to the transporting of freight, especially farm produce," and that "the passenger cars thus recovered will be used to improve main-line services that cover zones with a high demand for passenger-intensive services, thus contributing to coverage of the EFA's general expenses."

The decree that eliminates these services states that "the Ministry of Public Works and Services and the Secretariat for Transportation will implement the measures necessary to replace the eliminated services, so as to satisfy the overland transportation needs of the zones involved."

Services To Be Eliminated

An annex to this decree lists the long-haul trains that will be taken out of service within not more than 30 days from now.

On the San Martin line, the trains to be eliminated are the Sierras Grandes and El Sanjuanino, which cover the Retiro-Villa Dolores and the Retiro-San Luis-Mendoza-San Juan services and which interconnect the capital with the Buenos Aires Province's city of Junin. Meanwhile, El Libertador service between Retiro and

Mendoza has been reduced by one train per week, and El Sanrafaelino service between Retiro and San Rafael by two trains per week.

On the Ferrocarril Mitre [Mitre Railroad], the services to Cordoba, Tucuman, Pergamino, and Venado Tuerto, as well as the Ciudad de Buenos Aires and Ciudad de Rosario trains on the Retiro-Rosario-Retiro run, will all be eliminated. In addition, four trains a week will be eliminated from the Ciudad de San Nicolas (Retiro-Rosario-Santa Fe) and the El Santafesino (Retiro-Santa Fe) runs.

On the Sarmiento Railroad, the trains to be eliminated are: El Lucero (Once-Villegas-Cuenca) and El Colonizador (Once-Darragueira), as well as the services between Once and Cuenca; Once and General Pico; Once and Bragado; General Pico and Telen; Bragado and Olascoaga; and General Pico and Arizona.

The Roca Railroad will eliminate its Los Arrayanes and Lagos del Sur trains between Constitucion and Bariloche, as well as its services between: the capital and Tandil and Tres Arroyos; Plaza Constitucion and Bolivar; Olavarria and Bahia Blanca; Bahia Blanca and San Antonio Oeste; Neuquen and Zapala; and Bahia Blanca and Almirante Solier. Also to be eliminated are the local services between: Bariloche and Pilcaniyeu; Ingeniero Jacobacci, Esquel and Chichinales; and Padre Steffanelli and Plottier.

The Belgrano line will suspend its trains on El Litoral service between Retiro, Vera and Resistencia, and one train a week on its El Norteno service between Retiro and Jujuy. Also to be eliminated are its services between: Retiro and Santa Fe; General Guemes and Salta; Santa Fe, Vera and Resistencia; Jujuy and La Quiaca; Salta and Socompa; Embarcacion and Formosa; Mendeza and Petrerillos; and Santa Fe and Anatuya.

And lastly, the Urquiza Railroad will discontinue its Cataratas (Federico Lacroze-Posadas) and Rio Parana (Federico Lacroze-Parana) services, as well as three weekly Salto Grande (Federico Lacroze-Concordia) trains. It will also discontinue its local services between: Monte Caseros and Posadas; Concordia and Parana; Parana, Basavilvaso and Concepcion del Uruguay; Concepcion del Uruguay and Concordia; Federico Lacroze and Rojas; Concordia and Monte Caseros; Basavilvaso and Concordia; and Basavilvaso and Concepcion del Uruguay.

Attendees and Remarks

Present at the decree-signing ceremony were the EFA "interventor" and "assistant interventor," Julio Savon and Fernando Frediani, respectively, and Ministers Jose Roberto Dromi of public works and services, Antonio Erman Gonzalez of the economy, Julio Mera Figueroa of interior, and Domingo Cavallo of foreign relations and culture.

At the conclusion of the ceremony, the head of EFA stated that "these measures are intended to reverse the critical situation that confronts the EFA. And to this end," he added, "they reassert the need to streamline the system of user franchises and, fundamentally, the absolute need to consolidate services and revitalize the railroads as a means of transportation."

Minister Dromi, for his part, said "I am deeply gratified to note that the country has faced up to realities. The railways as a national asset are still owned by the Argentine state," he continued, "and I especially appreciate the effort that has been put forth by the railroad family, which has supported the enactment of these measures."

Asked whether the railroad unions had been consulted on the plan being implemented, the minister replied in the affirmative, although he acknowledged that they had not explicitly stated their agreement with the measures. Speaking to this question, he stated: "We cannot say that there is any specific opposition to a streamlining measure. I believe," he concluded, "that the railroad families have no basis on which to oppose this step, because no one has been punished."

* Auto Industry Announces Layoffs

90ET0086C Buenos Aires CLARIN in Spanish 10 Jan 90 pp 1, 3

[Article: "Auto Companies Invoke Economic Plan to Justify Layoffs"]

[Text] Concluding a meeting with Labor Minister Jorge Triaca, the automotive industry's final assembly firms attributed their layoffs at their different plants, totaling 10,000 workers, to the situation stemming from the recent economic measures.

ADEFA [Association of Motor Vehicle Manufacturers] detailed the industry's situation to the labor minister and agreed to meet today with the secretary of industry and foreign trade.

The representatives of the automotive final assembly firms issued a joint statement on "the situation in the public domain that is momentarily altering the sector's productive activity."

The assistant secretary of SMATA [Trade Union of Mechanics and Related Automotive Transportation Workers], Raul Amin, on the other hand, stated that the industrialists "had argued that because of the new economic measures and a lack of funds, they are unable to pay their suppliers, and the suppliers are refusing to deliver parts to them because they are not being paid."

State of Alert

Amin warned that the union has called a "state of alert" and that "it is not going to allow any layoffs." He

acknowledged, however, that "it's going to be very difficult to get the companies to change their layoff plans."

The union leader criticized the employers' attitude, arguing that "the automotive industry cannot proceed with layoffs of this type, because it is creating a social problem."

"The economic measures cannot be blamed for the situation," said Amin, "when what the government is seeking is stability and growth. The industry's response must therefore be production, not layoffs."

Amin indicated that SMATA will analyze, one by one, the situation at each plant, and he demanded the appointing of a commission to study a "joint solution to the industry's problems."

At Mercedes Benz

Amin also confirmed the layoff of 1,500 Mercedes Benz workers, beginning today and through Friday 19 January.

Elsewhere, the country's three automotive tire manufacturers—Firestone, Goodyear, and Fate—announced the layoff of 2,000 other workers, bringing to 10,000 the number of workers affected by this measure, to date, in the automotive industry and businesses deriving from it.

The union leader stated that the union "is not going to allow any further layoffs," and he warned that a production stoppage by the final assembly firms can affect the jobs of 30,000 other workers in the sales and service companies. It has been days since any zero-mileage vehicles have been received for sale to customers.

From ADEFA

At the conclusion of the meeting with the labor minister, the ADEFA governing body's delegate, Mario Dasso, read a statement citing that "each firm is negotiating with the union representatives to resolve the situation with the least effect on employed personnel."

Dasso announced that ADEFA will meet today with Jorge Pereyra de Olazabal, and with the secretary for domestic trade, Pablo Challu, to study possible solutions for the sector.

The ADEFA representative indicated that a new meeting will be held at the Labor Ministry, and that the labor minister had "offered his active cooperation towards a solution of the problems."

Attending the meeting, in addition to the labor representatives, headed by Amin, were the following employer representatives: Armando Amasanti and Pedro Lellio for Sevel; Tibor Teleki and Oscar Cecchi for Renault; Jorge Oliveri y Willianson for Autolatina; Guillermo Kuhl for Scania; and Enrique Federico and Dieter Zetsthe for Mercedes Benz.

CIFARA Clarification

CIFARA [Chamber of Argentine Republic's Auto Parts Manufacturers] stated yesterday that a substantial number of the sector's firms are "currently active." This was a clear response to a number of statements by automotive industry representatives attributing the current drop in production and the layoff of personnel to "problems in the supply of raw materials and parts."

CIFARA also emphasized that most of the auto parts firms "are still discussing with the final assembly firms the prices of their September 1989 deliveries."

On the other hand, CIFARA, which acts as a nucleus for the auto parts producers, pointed out that "a substantial quantity of their invoices remain unpaid for reasons of pure indolence, outstanding among which is the recent attachment of time deposits.

"A sizable number of checks issued by the final assembly firms have bounced because of insufficient funds in their checking accounts, but the auto parts manufacturers must all, without exception, pay their suppliers in cash," CIFARA emphasized.

CIFARA asserted that "in a context such as this, to which is added the need to pay additional wage supplements, it is illusory to think that the auto parts industries can continue financing the activities of the final assembly firms, and it borders on the irresponsible to blame the parts manufacturers for the situation that has been created."

Bolivia

Movement Withdraws From United Left Coalition

PY1602021990 La Paz Television Boliviana Network in Spanish 0030 GMT 14 Feb 90

[Text] The Free Bolivia Movement [MBL] today announced its decision to withdraw from the United Left coalition and to regain full ideological and political independence. MBL leader Alfonso Ferrufino held a news conference today and stated that 71 percent of the members consulted voted in favor of withdrawing from the United Left.

[Begin Ferrufino recording] Following this survey, the MBL decided to immediately withdraw from the United Left coalition. Thus, it has recovered its political and ideological independence and its autonomy of action. I wish to emphasize that this does not imply a severance of relations and joint actions with the United Left and with other progressive groups whenever required by the struggle of the Bolivian people. The Bolivian Labor Confederation, the single Trade Union Confederation of Bolivian Peasant Workers, the regional civic movements, and the congress of the nation, are forums in which the MBL will maintain close unity with other progressive organizations. [end recording]

PRESENCIA Derides U.S. Drug Policy

PY1502154590 La Paz PRESENCIA in Spanish 9 Feb 90 p 2

[Article by Gregorio Lanza]

[Text] The Santa Cruz preparatory meeting was held under strict security, and its conclusions have been kept strictly secret. This veil of secrecy seemed to have been lifted when the morning newspaper HOY published a long agenda under the heading "Total War Against Drug Trafficking." The government, however, has neither confirmed nor rejected the authenticity of the report. (Silence is golden.) At a meeting at the interior minister's office on 31 January, the minister told coca producers that HOY did not report the preliminary agenda.... And that the president's criterion of "coca in return for development" has prevailed. If this is the case, and if there is consensus on this position, why has not the country been informed?

The situation has been further complicated by the remarks by Peruvian President Alan Garcia, who said that "when everything seemed to have been agreed upon," one of the countries introduced changes that have "changed the structural features of the issue." What is this new concept? Is it about sovereignty or independence?

The pro-government propaganda has monotonously reiterated over the past few days that to govern means to inform. Fine. We agree that to inform is part of the art of governing. To inform, however, also means to tell the truth, especially if it deals with an issue that is fundamental to the future of Bolivians. The government should be consistent, at least with this principle.

President Jaime Paz Zamora has repeatedly proposed the replacement of coca production by development programs. Yet the remarks by U.S. Embassy Deputy Chief of Mission Marilyn McAfee have dealt an anticipated blow that has caused some officials to hesitate. "There is $15 million for replacement," she said. (There is $60 million for repression). Barely recuperating from his surprise, the foreign minister said that the U.S. help is a "bilateral issue and, consequently, it will not be directly addressed" at the Cartagena summit. The interior minister, who has more experience in this type of situation, did not attach much importance to McAfee's statement, and stressed that "more exact figures will be mentioned at the Cartagena summit." Who is telling the truth? Will the Cartagena summit address the economic aid?

After this peculiar situation, the United States seems to have chosen interdiction and eradication—repression—to fight drug trafficking. The strategy of "war against drug trafficking terrorists" has prevailed. This strategy lends itself to interventionist military policies, similar to the presence of U.S. Marines in Bolivia in the past, or, in the future, the creation of a multinational military force that would jeopardize regional political and military stability.

When the trafficking of cocaine was carried out as a covert operation (1984-87) by the CIA and the U.S. Army—for the purpose of providing military supplies to the contras—cocaine trafficking was not a crime. The links between Noriega and drug trafficking were a matter of secondary importance as long as he provided information and support for their war against Nicaragua. But now the United States does not mind invading Panama or turning Colombia into an inferno to capture Noriega or some of the major Colombian traffickers on this crusade against drug trafficking. That is the U.S. Government's double-faced morality.

Another scandal hit U.S. society last week. Marion Barry, the mayor of Washington, the capital of the empire as well as the capital of crime, was caught in an FBI trap. He was filmed consuming cocaine. His followers claim that it is a white conspiracy to prevent a black mayor from running for another term.

But the interesting point for us is the controversy between Bennett, the U.S. Government strategist for the struggle against drug trafficking (the Bennett plan), and Washington police chief Fulwood. While Bennett has questioned the efficiency of the Washington police, claiming that this area receives the largest amount of federal support for the struggle against drug trafficking, Fulwood has said that Bennett is wasting time "talking without doing absolutely anything" (NEWSWEEK, 29 January). The NEWSWEEK journalist said that even before the Barry scandal, it was possible to see that the Bennett plan had become "only a dirty battle of words." Bennett's strategy for the prevention and repression of drug abuse in the United States has been a total failure. Bennett therefore believes that the best way to cover his failure is to turn toward Latin America to relieve the fury of his impotence, ordering warships and planes to control maritime and air traffic. As usual, those of us who live in the "backyard" have to pay for the mistakes of U.S. policy.

This is not a story of suspense. The suspense has been created by the attitude of the government. The country needs to know the conclusions of the Santa Cruz summit. Otherwise we will have to accept that a smoke screen has been deployed over the Cartagena summit.

Government Signs Taxation Agreement With FRG

PY1502151190 La Paz La Red Panamericana in Spanish 0000 GMT 15 Feb 90

[Excerpt] The Bolivian and FRG Governments this afternoon signed a document of understanding to prevent double taxation on income and assets. Representatives of the two governments met from 6 to 13 February to study the agreement on double taxation. The document was signed this afternoon by Jorge Soruco, undersecretary for multilateral policy of the Bolivian Foreign

Ministry, [name indistinct] of the FRG Finance Ministry, and [name indistinct], adviser to the FRG Embassy in Bolivia. Suroco commented:

[Begin Suroco recording] We worked very hard in the meetings this week. The two delegations had an opportunity to explain the tax systems in their respective countries. The talks were productive and beneficial, and the negotiations helped us reach a well-structured agreement to prevent double taxation. We believe that the agreement will be beneficial to the country. We know that the current political and economic stability and agreements of this kind are the best instruments for guaranteeing foreign investment. [end recording] [passage omitted]

Brazil

Foreign Ministry Supports Antidrug Summit

PY1602005790 Brasilia Domestic Service in Portuguese 2200 GMT 15 Feb 90

[Text] The Foreign Ministry considered today's summit in Colombia between U.S. President George Bush, Bolivian President Jaime Paz Zamora, Colombian President Virgilio Barco, and Peruvian President Alan Garcia as very important. The four presidents are seeking an effective formula to fight drug trafficking. Foreign Ministry spokesman Rui Nogueira recalled that Brazil, in all international forums, has always agreed with these four countries' views on the drug problem.

[Begin Nogueira recording] This meeting will consider theories Brazil has been defending in international forums for some years. We believe in the coresponsibility of producer countries, countries used for the traffic of drugs, and above all, of consumer countries which are also important providers of raw materials and chemicals used in the manufacture of the drug. [end recording]

The Foreign Ministry denied that Brazil has been lagging in its efforts to confront drug traffickers who flee Bolivia, Colombia, and Peru and hide in the Amazon jungles. The Ministry avowed that the issue has always been very important to Brazilian police.

President-Elect Collor Interviewed in Paris

PY1002121290 Rio de Janeiro O GLOBO in Portuguese 8 Feb 90 p 6

["Exclusive" interview with President-elect Fernando Collor by Marcello Netto in Paris on 7 February]

[Netto] How is your trip going, Mr. President?

[Collor] Very well. Yesterday was an excellent day. President Mitterrand had only asked to hold a working meeting with us, which we scheduled. But some days later, in a rather amusing way, he asked us to lunch at the Elysee Palace in addition to the 30-minute working meeting. Mitterrand and I later even had a chance to hold a tete-a-tete meeting at which the Brazilian ambassador and his diplomatic adviser were present. The luncheon was very pleasant, and our conversation flowed smoothly. I noticed Mitterrand's great concern over the foreign debt problem—which only confirmed what we already know about his position on the subject—and the Brady plan, which includes many of the suggestions he made in 1988 at the United Nations. He believes that the foreign debt problem must be solved with the participation of the governments of creditor countries, which may influence not only the international organizations but also the private banks. Mitterrand believes that we cannot end this decade in peace if the foreign debt problem is not solved properly.

[Netto] Did Mitterrand agree with you that the foreign debt problem must not affect Brazilian growth?

[Collor] He gave his full and formal support to this thesis. He suggested that we include the practical points of the proposals that have been suggested for the renegotiation of the Third World debt in the debt renegotiation proposal that we are going to present a week after the presidential inauguration. Two or three very important articles based on the Brady Plan drawn up at a meeting last week of several chiefs of state and ministers specifically refer to the foreign debt problem. These articles contain some very interesting suggestions. It is not a matter of only reducing the debt principal but also of establishing a policy on interest and establishing a ceiling on interest payments. For example, had Brazil adopted the Brady Plan in January 1989 when Mexico did, we would have reduced our debt by 30 percent in January. But by May it would have recovered its original value because interest grew so much between January and May that they made up for the reduction of the principal. There is no point in a renegotiation based on the Brady Plan if there is no policy regarding interest.

[Netto] Are you going to personally negotiate the Brazilian foreign debt?

[Collor] Whenever my presence is necessary I will be there, naturally. But I hope my economy minister and his team will be in charge of talks during this first week, as I have just mentioned.

[Netto] What will your government's proposal be for neegotiating the debt?

[Collor] We will offer several alternatives. We do not want and we will not accept any ready-made proposal [contrato de adesao] the bankers present and to which our people merely acquiesce. We cannot behave this way. Our idea is to offer a number of alternatives, all of which are acceptable for Brazil to negotiate the debt. This negotiation could be a mixture of all the alternatives that we will offer.

[Netto] Could you tell us what the alternatives are?

[Collor] For the time being no, because we are still drawing them up. Since this is a very delicate and sensitive negotiation, it would not be appropriate to give advance notice.

[Netto] Are you convinced that the debt was the main issue of your trip?

[Collor] Undoubtedly. Today, I believe that we do have two great international problems. The first is the debt issue, and the second is the environment issue. I believe that it is perfectly possible to resolve the two issues: the debt issue by using the method we are proposing, and the environment issue by rationally and objectively discussing it so we can achieve a solution that will prevent not only the destruction of the Amazon jungle—the people here are not only talking a lot about the Amazon—but also about the Pantanal, the Jureia, and the remainder of the Atlantic forests.

[Netto] You will be questioned by Prime Minister Margaret Thatcher on the ecology issue.

[Collor] This is what I have to say in that regard: In the first place, no generation has ever been more affected by the environment issue than our own generation. We were the great victims of the irresponsible and chaotic industrialization process that the world experienced over the past few years. Our generation received this terrible legacy of coexisting with our planet on the eve of its destruction. Therefore, those who preceded us are to blame. In the second place, regarding this environment issue, Brazil will adopt a very strict position during my administration. The Environment Secretariat will be created and we will include the subject Environment and Environmental Protection in the curriculum of schools.

[Netto] Will this be a government priority?

[Collor] Undoubtedly, in addition to the support we are giving to the holding of a congress on environment (in 1992) and the effort we have made to have it held in Brazil. This demonstrates that we have nothing to hide. We want to openly discuss the problem, without mutual accusations, because not all the pollution effects we are witnessing are produced by Brazil: the greenhouse effect, the hole in the ozone layer, and acid rain. The Amazon jungle and the Taiga forest in the Soviet Union are the big filters that consume carbon dioxide and release oxygen. Others polluted the environment. They polluted it and they do not want these filters to stop operating because if they allow these filters to stop operating, it will be impossible to breathe the air. However, they cannot just raise questions. It is necessary for us to tell them, in this rational discussion, that as industrialized nations they should be ready to offer the scientific knowledge they have accumulated for years in the struggle against pollution. Scientific knowledge, especially in this field, must stop being the property of nations and become the property of humanity.

[Netto] Will economist Zelia Cardoso be your economy minister?

[Collor] Zelia is the chief of my team of economic adivisers. She has my absolute confidence and she is doing very important and positive work. However, I have not yet made a decision.

[Netto] Is Osires Silva also being considered for the Infrastructure Ministry?

[Collor] Nothing has been defined.

[Netto] Yesterday, an estimate of a 70-percent inflation rate was announced in Brazil. It will be up to you, after your inauguration, to announce the Sarney government's last inflation rate. Are you frightened?

[Collor] I am concerned. We have been working with several percentages, and the one being announced is the worst we have been considering.

[Netto] Does that change your strategy?

[Collor] No, it just strengthens my determination to adopt measures as soon as I take office. It demonstrates that measures are urgent and that actions must be immediate.

[Netto] Minister Bernardo Cabral has been saying that to implement the first emasures, you are studying the adoption of a legislative instrument such as the delegated law, which is stronger than the Provisore Measure.

[Collor] It will be within the Constitution, of course. I want to see what the Contitution stipulates. We are going to see if there is need for this. Cabral is studying this matter. We have to see which constitutional methods we can use to implement the measures contemplated in our economic plan. Cabral, who has been the sponsor at the Constituent Assembly, knows the Constitution very well; he knows not only the letter but the spirit of the Constitution. We have a program and he is reconciling our government proposals with the Brazilian Constitution to avoid any sort of conflict.

[Netto] Bernardo Cabral will meet today with Jose Paulo Bisol, vice presidential candidate on the Lula ticket; and with Mauricio Correa, PDT [Labor Democratic Party] senator for Brasilia.

[Collor] That is part of the national dialogue. Our proposal is to promote a national dialogue to find points of agreement on which we can get together.

[Netto] You oppose the idea of a reserved market. Are you going to adopt measures against it early in your government, specifically, in the car-manufacturing sector?

[Collor] There is no reserved market for the auto industry; only bureaucratic obstacles at CACEX [Bank of Brazil Foreign Trade Department] and CIP [Interministerial Price Council] that do not encourage foreign enterprises to come to Brazil. On the other hand, the internal market is weakening and comsumption is

declining, particularly of durable goods such as automobiles. Prices are completely out of line. I was talking with Agnelli and he told me that Fiat production capacity is well above its actual output today. The Brazilian Fiat is today making more export sales than internal sales. It is exporting to Taiwan, to extremely competitive markets. It is exporting $700 million per year. The Fiat company is today a more important or just as important partner as Argentina, with which we have relations on the order of $600 million. The coming of auto companies to Brazil should be voluntary; if they want to come, they can come, but with no subsidies. Yesterday, I told the president of the Renault company: Do not ask for subsidies. If you want to come, come; but what will you do with your industry there, without a market for it? But the greater protectionism of the auto industry today is erected by the auto companies that close ranks and keep other companies from coming.

[Netto] Are you planning to open the Brazilian economy in general, and not only the automobile industry, to the rest of the world?

[Collor] Yes, naturally. We can only become competitive by joining the world market. The best way to compete is by becoming efficient. Competitiveness is necessary to becoming efficient and for this everyone should be allowed to compete.

[Netto] Is a general opening of our economy necessary to build a modern Brazil?

[Collor] Undoubtedly.

[Netto] Do you believe that the hospitality received during this trip has been prompted by your promise to bring Brazil back into the mainstream of history?

[Collor] My language today—and this is important—is the same that I used during the electoral campaign: the defense of a market economy and modern capitalism, linked to social justice and the economic growth which we cannot yield; the reduction of the state apparatus. Nothing has changed since the days of the campaign; nothing has been added. Things are different for them because they expect the president of the Republic to come to them saying: please help because unfortunate Brazil is so poor and needs your help and so forth. It is rather silly, strange language. However, the language I use is quite different. They ask what they can do to help me and I answer that I am not seeking their help; that I have come to discuss these problems with them. Yesterday the manager of Rhodia [not further identified] raised the issue in a rather amusing way and I told him I did not want to make any requests here because they will only make new investments in Brazil when our country becomes attractive for their capital. I want to discuss the general guidelines of my program.

[Netto] You had already supported this theory in Japan. You said the Japanese could make good deals in Brazil. Is this a pragmatic theory?

[Collor] Of course. There is no point in saying that we are going to obtain money; we are not going to obtain anything. I think that during this trip we are going to be able to create favorable conditions for Brazil so those people thinking of Brazil can do so with a bit of hope, in the sense that they will have a chance to make money if they invest in Brazil. This is what I wish to accomplish.

[Netto] In sum, did officials and businessmen offer new investments and resources after these talks, this pragmatic language of yours?. Did your talks yield good results, good deals?

[Collor] They all did.

[Netto] Will Japan, the United States, and Europe offer new resources and investments?

[Collor] Yes. The Nakasone fund has been divided in two. The first portion consists of $30 billion of which we have requested $6 billion. The truth is that $1.5 billion has already been approved but has still not been disbursed because of the disagreement with international organizations. I am sure that once this problem is resolved there will be money available for Brazil.

[Netto] Would you say something about the message from President Bush that you delivered to Gorbachev at this important moment in contemporary history? What was the message?

[Collor] I cannot say. I can only disclose that, after our conversation, Gorbachev called Bush.

[Netto] Are you still upset about the demonstration in Berlin?

[Collor] That was a strange and incongruous affair. On the Wall, there were PT [Workers Party] flags, because on the second part of our campaign we said that we did not want to erect this wall, but to tear it down. All of a sudden, they are there celebrating what? Saying foul words.

[Netto] However, did this affect the tour?

[Collor] No. First, the goal of the tour was to attempt to show the world the new Brazil that the Brazilian people want to build. The Brazil that the Brazilians want is this one; this model for a modern Brazil that we described during our campaign and that I am laying open here on the international scene is a model that is conforms well to the modern international expectations that are focused on the East. It cannot be said that I am going to revolutionize the Brazilian economy. A much more profound revolution, a million times more profound and important, is taking place in Eastern Europe. This revolution is as important as that of 1789. It will have an extraordinary impact worldwide. The model for the new Brazil is being pretty well understood here, abroad, and it gives us enough enthusiasm to continue along this path.

[Netto] Are you prepared to face demonstrations in Portugal?

[Collor] It would be sad for them to do something like that.

[Netto] It is over that joke with Menem. [Collor reportedly told Menem an ethnic joke involving Europeans' imitation of Lula's person]

[Collor] That was already explained and denied. The Portuguese press itself has explained it. Who can understand the attitude of the left? Mario Soares himself will meet me at the airport. There was nothing about that issue.

[Netto] Do you place many hopes on your talk with Prime Minister Margaret Thatcher today?

[Collor] Mrs. Thatcher is very tough and firm, but very charming. It will be an interesting conversation. In our last conversation, I told her: "Mrs. Thatcher, this debt cannot be paid the way it is." She responded: "Excuse me, sir, but debtors must pay." I insisted on the conditions, and she repeated: "Debtors must pay; contracts must be respected." She is a very tough, but sympathetic and intelligent lady. They are now building private penitentiaries! It will be a good conversation. She is the mainstay [matriz] of the neoconservative belief prevailing in today's world.

Addresses Nation From Brasilia

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[Address to the nation by President-elect Fernando Collor de Mello followed by question and answer session with local and foreign reporters at the Itamaraty building in Brasilia—live; broadcast in progress]

[Text] [Collor] ...and also with representatives of several sectors of those societies. I was therefore able to meet one of the basic objectives of this tour: to obtain first-hand knowledge of the situation in the nations I visited and of the opinions their leaders have about the transformations under way in the international arena.

To govern in an interdependent world demands awareness of the international situation. Building a modern Brazil calls for a new place in the world for Brazil.

I am returning with valuable contacts, knowledge, and experience. Some contacts were new; others were revitalized. I am sure that they will help me discharge the difficult and honorable task of guiding the destiny of Brazil over the next five years.

The other essential objective of the trip was also accomplished. I succeeded in conveying to the world my outlook for Brazil; my plans for overcoming the crisis and resuming economic growth with social justice. I reiterated the guidelines of Brazilian foreign policy—our concern about the apparent isolation of Latin America in the international arena—and about the disregard for the problems of developing countries. I conveyed my firm decision to face all aspects of the environmental issue and my government's willingness to make Brazil a member of the most active sector of the world economy.

Although the contacts I made abroad over the past few weeks should be considered as a whole, they can be divided into three phases. During the first phase I visited three friendly neighboring countries. I engaged in frank and profitable talks with Argentine President Carlos Menem, with Uruguayan President Julio Maria Sanguinetti, with Uruguayan President-elect Luis Alberto Lacalle, and with Paraguayan President Andres Rodriguez.

During those visits I strengthened the deep ties between Brazil and those nations, noting the affinity between our peoples and the natural course of events which led us to share problems and hopes, and feel that we belong to the same family.

I reaffirmed the ideal of integration, which will be a key factor in my government's Latin-American policy. I believe integration is a necessary precondition for the modernization of our economies. Likewise, integration is a precondition to be met if Latin America is to play a relevant role during this period of extensive world change.

The second phase of my contacts was my visits to New York, Washington, and Tokyo. In addition to meeting with President George Bush, Emperor Akihito, and Japanese Prime Minister Toshiki Kaifu, I met with high-ranking U.S. and Japanese Government officials and some of the world's leading business figures.

In the United States, Japan, and Europe, I outlined the intent of the restructuring of the Brazilian economy and the role the Brazilian economy should play at the international level.

I clearly expressed my intent to take as much advantage as possible of the similar principles that underlie my project and the economic policies that developed countries have recently followed. However, I did not fail to point out the great gap between our societies, reiterating that it is absolutely essential to take this into account.

I admit that the experience of the developed world is both valuable and interesting, but our path is and will be our own, built within our own context upon the aspirations of our people.

At UN headquarters I met with Secretary General Javier Perez de Cuellar, and at the Organization of American States I met with Secretary General Joao Clemente Baena Soares and the representatives of the countries of this hemisphere. The agenda for these meetings included major international issues.

I also held important and profitable meetings with World Bank, IMF, and Inter-American Development Bank [IDB] directors. In these meetings, I could personally feel recognition of the influence Brazil has both at

the regional and the international level. I could feel the importance attached to our economic recovery and the favorable reaction to my national reconstruction project.

Among the various issues I addressed during my tour, I would like to give particular emphasis to the foreign debt. I repeatedly said Brazil does not intend to unilaterally impose a general formula. We are open to negotiations that take into account the specific features of each case. Yet, by no means shall we agree to negotiations that do not recognize the absolute priority of our development and our economic growth.

We need urgent and comprehensive solutions to the problem. To this end, all parties involved should adopt a positive and constructive attitude.

In the major financial centers I visited during my tour I advocated common sense and balance regarding the foreign debt. Both debtors and creditors share the great responsibility of finding a solution that does not frustrate the legitimate aspirations of development and peace.

Only with considerable firmness and political determination shall we attain this goal. Neither inflexibility nor indifference can be allowed. Immediate action should be taken before it is too late.

I would like to stress the favorable reaction international financial authorities have had about the general guidelines of my plan of government, which has confirmed the expectations the majority of Brazilian people expressed through the ballot boxes. I reiterate that our plan of government will be defined by Brazil, in keeping with our own priority targets.

Based on what I felt and on what I heard, our plan will restore the confidence the international financial community had in Brazil.

Regarding the European phase of my tour, the world is undergoing a period of rapid and major changes; a true acceleration of history. The voice of freedom is now heard in places where, in the past, silence was compulsory. This voice has promoted the new East-West easing of tensions, with positive developments in the political dialogue between the superpowers and in disarmament talks.

I should point out that Nelson Mandela, the great leader of the South African liberation cause, was released during my trip. I greet Mandela with the hope that we are finally approaching the end of the absurd and unfair regime of apartheid in South Africa.

New forms of economic integration and political coordination are being consolidated. An appropriate example is the European Community. The forces of historical change are alive in Europe. It is the duty of a chief of state to become familiar with its meaning and with its pace.

In this phase of my tour, I met with President Mikhail Gorbachev, President Richard von Weizsaecker, Chancellor Helmut Kohl, President Francesco Cossiga, Prime Minister Giulio Andreotti, President Francois Mitterrand, Prime Minister Michel Rocard, Prime Minister Margaret Thatcher, Prince Charles, President Mario Soares, Prime Minister Anibal Cavaco Silva, King Juan Carlos I, and President Felipe Gonzalez Marquez.

This group of European statesmen, to which I could add a long list of ministers, congressmen, and businessmen, is sufficient evidence of the level and quality of the dialogues I held, and the favorable and constructive answers the governments of those nations gave in response to my initiative of making this tour before taking over as president on 15 March.

Throughout my tour I found repeated evidence that the construction of a new Brazil will give us new prospects for international dialogue and cooperation. I heard sincere expressions of confidence in the future of Brazil which I answered by reiterating the open and positive manner in which Brazil will seek to renew and expand its role at the world level.

The world should become increasingly aware of the need to open its doors to Brazil so we may believe it will be advantageous for us to open our own doors to the world.

My goal is to build a modern and developed country fully able to participate, as an equal, in debates and decision-making processes about great world issues. Brazil does not accept that it must remain confined as new opportunities open up following the recent ideological and strategic relaxation, and the strengthening of free economic competition on a global scale.

Proud of its identity and aware of its potential, Brazil will promote open and balanced cooperation with its partners, as it has always done.

Ladies and gentlemen: In addition to the foreign debt, the environment was also high on the agenda in the countries I visited. I did not wait for my hosts to initiate the subject. I am well aware of the dramatic situation of the environment. I belong to the generation that let its voice be heard in opposition to a model of development that was promoting the elimination of life on earth.

The priority my government will attach to that matter will stem from that personal awareness, from an increasingly stronger concern of Brazilian society, and from a promise which was one of the cornerstones of my electoral campaign.

During my talks abroad, I emphatically recommended that the environmental issue be addressed rationally, without simplistic attitudes or simplifications, and without ideological maneuvers.

I pointed to the contradiction between the priority which some countries, in a rhetorical sense, have attached to the environment, for which very few resources have been

allocated, and the magnitude of military spending. As I said in London, such funds would be enough to thoroughly clean the earth.

Despite this and other contradictions, my government will be totally open to dialogue and to international cooperation on the subject. Brazil will harmonize the preservation of its sovereign rights with the international treatment given to an issue which, as we all know, affects the destiny of mankind.

I personally invited each of the chiefs of state I met to attend the UN conference on development and the environment, scheduled for 1992 in our country.

I promised to work to ensure the conference gives the issue the political and diplomatic relevance it needs so badly.

My government will be at the forefront of the balanced and rational treatment of the environmental issue.

I mention now the subject of science and technology which was high on the agenda for my meetings. Our country should receive the appropriate equipment to face international competition, making better use of the scientific and technological progress of the modern world. I also addressed the restricted access to sophisticated technology whose benefits should be shared by mankind.

During the trip I completed yesterday, I conveyed a message of determination and optimism. The November and December elections marked the restoration of full democracy in Brazil. In addition to legitimizing civil power, the elections gave to the poor, who have been sidelined and devote all their time to a struggle for survival, a chance to be heard by society.

That is the bitter irony of the long transition process which we have experienced over the past few years. We regained our political rights in the middle of the worse economic crisis in our history, at a time marked by increasing starvation, unemployment, and misery.

The ballot boxes gave me majority support for my national reconstruction project. The ballot boxes also gave me a mandate. My mandate has two main points: democracy should be definitively affirmed and the economic crisis in which the country has been mired for nearly 10 years must be overcome. These are the tasks entrusted to me and I will carry them out.

With absolute dedication and determination we shall attack the structural and the occasional causes of inflation. Above all, we enjoy the credibility of having been elected without making pacts with those who benefited from chaos and collapse.

The fight against inflation is a precondition for resuming our economic growth. We will wage our fight by putting state finances in a healthy situation; by enforcing reforms in the ownership system and in the fiscal and administrative areas.

I also talked about the role of the state: the need to turn the state into an efficient tool for preserving social justice; removing the state from those areas where its presence is not essential while performing efficiently in others.

In Brazil, the state has not only lost its capacity to make investments, but, even worse, has discouraged both domestic and foreign investment.

Democracy has given the Brazilian people total and legitimate control over the state. Such control must be exercised so society can benefit from the actions of the state, instead of allowing the state to dispense favors to a very small number of people.

Freedom and responsibility are the values upon which our institutions and the patterns of our coexistence will be reformulated.

The state should be able to render basic services in the areas of food, health, education, transportation, and housing. The poorer sectors have no access to such services; they do not even have access to hope.

I would like to convey an expression of hope and a strong warning. I have a consistent economic and administrative policy which will create a modern Brazil with social justice.

The Brazilian people will once again have hope. If there is any effective and concrete result of this tour, it stems from the fact that after the presentation I made to the nations, international agencies, governments, and businessmen I visited, I am absolutely confident the national and international community will support the reconstruction of our country.

I want to warn those inside or outside our country who intend to jeopardize the national reconstruction objectives. I have no commitment to any group or sector. My only commitment is the national interest. My only objective is to free the country from disgrace, misery, and injustice. I will ruthlessly struggle for the ideals of a new Brazil. The Brazilian people may rest assured that the economic and social chaos will not last forever. We will resume the development process and start to achieve social justice.

Before finishing I want to express my gratitude for the generally extensive, constructive, and quality media coverage of the trip I have just concluded. Thanks to the media, our society was able to share with me the feeling that what was at stake during this series of international contacts was not the public image of the president-elect, either domestically or internationally, but rather the national interest. This interest is no longer defined in abstract observations made behind closed doors but is based on the aspirations of the great majority of our society, freely expressed through a democratic process.

Thank you very much. You can now start asking your questions.

[Da Mata] Leonel da Mata from the SBT [Brazilian Television System]. I accompanied you on the trip and can testify you were attentively heard by the First-World leaders. I also noticed that each one, in his own way, told you it is possible to cooperate with Brazil provided we manage to set our house in order. You returned to Brazil after 20 days and found the house in worse order, on the brink of chaos and tumult. This situation is partly caused by the expectations you raised by your tactics for the transfer of government. I ask: Do you assume part of this responsibility and can you in some way benefit from this situation to institute your government plan as soon as you take over the government?

[Collor] In the first place, I would like to remind you I did not make the trip to ask anything of anyone. I even had the opportunity to say this very clearly, openly, and frankly to the assemblies that wanted to hear me. The trip was intended to show the world the face of the new Brazil we will build on the basis of our evaluations, needs, and reality. If on the basis of this project of national reconstruction, which I am sure will succeed, they decide to continue trusting Brazil, investing in Brazil, it will be so much the better because that will help us accelerate the building of a new Brazil, resuming economic growth with social justice. Second, I returned to Brazil and found an economic situation in complete disarray and debilitated, whether by society's lack of confidence in the current government or the absolute irresponsibility of the Brazilian elite who, not tired of having made money throughout that period, continue to mark up prices and use their regulatory agencies [cartorio] and cartels in an abusive way and continue to criminally evade taxes. This is why on 15 March, that very day, as I take office, I will declare a state of war against inflation, tax evaders, brokers, and speculators. I will declare that state of war as of 15 March, and because a state of war demands a war effort, I will once again ally myself with the vast majority of people who elected me: the poor, the barefooted, the shirtless, those hurt by this process, those who have a cry stuck in their throats, so they will become the manpower for this national reconstruction. This reconstruction cannot be accomplished with the rotten material composed of those who try to make more money to the detriment of the vast majority of people, by taking advantage of the loss of control over the country's financial, budgetary, and economic situation. I want to say that this situation does not in any way help either my administration or society. I deplore the fact that we are nearing the brink of hyperinflation. This is highly regrettable. The greatest responsiblity for the current situation falls on the current government. At no time will I accept that the incoming government is in the least to blame for this. The current government is responsible. The current government should establish the necessary channels of communication with society to keep this situation from lasting even a few more weeks. Inflation in Brazil today is not just a case of economics, a case of lost control, but a police case. The people who are marking up prices as much as 100 percent per week, or 200 percent per month, cannot go unpunished. Society cannot finance the greed of a few. I repeat, they take advantage of the present situation to make even more money.

[Carneiro] Sonia Carneiro from Radio Jornal do Brasil. If you were to invest, would you leave your money in the overnight market after March? Which sector of the elite will be the first to make the sacrifice for the new economic measures? What can be done to moralize the carousel of financial speculation?

[Collor] I am really not an investor in the financial market. This matter is dealt with in my family circle. I stay out of it. In the second place, the measures to be implemented as of 15 March will no longer, I repeat, no longer impose the burden on those who have been left to their own devices in this development process. As has been made clear and explicit, the bill for my economic program will have to be paid by speculators and tax evaders, the privileged in every way, the intermediaries.

[Medeiros] Jorge Medeiros from the Associated Press Agency. Returning to the topic of the elite, could you be more specific and say who they are? Are you in favor of having the Federal Police control the supermarkets, going out to control price markups?

[Collor] As I said, Brazilian inflation is no longer a case of controlling the country's fiscal machinery, inflation today is a police case. Of course, I believe it is absolutely indispensable for the Federal Police to be called in to bar price markups that are done as they are now, to put behind bars those people who are demonstrating absolute insensibility to the public interest, who are only interested in their own greedy gains. What was the first question?

[Medeiros] Could you specify who the elite are?

[Collor] I already said who they are. There are elite in this country who are responsible, who consider themselves to be in favor of a development process that demands sacrifices across the board. However, there is another sector of elite that is responsible for pushing the situation to the brink of chaos. This is the noncompetitive elite sector favored with state benefits, clinging to the advantages the state can offer, hiding behind regulatory agencies [cartorios] so its incapacity and lack of qualifications to manage its own business will not show; inefficient and cowered by the nation's reality, law of competition, and market economy laws. These are the elite to which I refer.

[Chiarelli] Marilena Chiarelli from TV Manchete. Given the efforts of your political aides to seek support in congress for your administration, have you thought of inviting someone who formerly opposed you to be a minister?

[Collor] I see no problem with that. First we should establish the points we have in common. During the first and second voting rounds I proposed a broad national

dialogue because I was sure that whoever became president of the Republic would only be able to govern, with a reasonable chance of success, if he managed to reach an understanding with the whole of Brazilian society. By Brazilian society, naturally, I mean the political parties, the politicians, the organized civilian society, and so on.

We need to establish the points we have in common. Of course we could disagree in some respects, but I believe that with the proper attitude we will find points in common with the ideas of the various political parties, be they opposition or not. We must work on such points in common.

We cannot establish a dialogue by first arguing over our disagreements. We must begin by discussing the points we have in common. Therefore, if we found positive points in common, and we found someone willing to join us in this great effort of national reconstruction, he would not find any resentment, complaint, or prejudice on my part. Therefore he could be a member of my administration.

[Chiarelli] Has such a person been chosen already?

[Collor] No.

[Gomes] Fabio Paiva Gomes from Radiobras of Belo Horizonte and Radio Mineiros. Mr. President, yesterday you announced that Antonio Rogerio Magri from the CGT [General Federation of Workers], will be the future labor and social security minister. Magri is a CGT member and we know that there are many conflicts between the CGT and the CUT [Sole Central Organization of Workers]. Do you expect any retaliation or further estrangement from the CUT?

[Collor] On the contrary. My objective in appointing him is to reconstruct labor relations in this country. I want to give workers the opportunity to forge their own destiny. For the first time in Brazilian history a worker has been invited, an invitation which he accepted, to become labor and social security minister of a government elected by the people.

Of course we have many points in common with this future minister. First, he and his allies defended our proposals as the most correct and appropriate for the modern and competitive Brazil we want to establish as of 15 March, with the approval of the Brazilian people who voted for this administration platform. Rather than voting for the personality of a candidate, the Brazilian people voted for the government platform of a candidate. This was clear after the second voting round. Of course this minister must extend this proposal of reaching a national understanding, which I made from the beginning, to a broader sector. This minister will find no obstacles or restrictions to talking with all sectors of the Brazilian labor movement because, currently, one kind of labor union cannot prevail since the national interest comes first: the interest of the working class. No matter to what labor sector Brazilian workers may belong, they will feel they are represented in this administration. Brazilian workers know that the presence of worker and labor union leader Antonio Rogerio Magri in the Labor and Social Security Ministry is a clear sign that my administration was not only elected by the majority, but it intends to govern with the majority. A principle which is commonly known and accepted, and with which I do not agree because it is somewhat cynical, is that candidates are elected by the people and then govern the elite. In my administration, this will change. We were elected by the people and we will govern with the people. The presence of a worker, a labor union leader like Antonio Rogerio Magri, in the Labor Ministry is obvious proof of this assertion. I am complying with one of my campaign promises, that once elected president I would appoint a labor union leader as labor and social welfare minister. My choice was Antonio Rogerio Magri.

[Giannini] Humberto Giannini of ANSA of Italy. Mr. President, you have clearly described the Brazilian situation as one of an economic-financial crisis. There is no point going into details. However, I wonder whether the time, the opportunity, has come to urge all Brazilian social classes to reach a political agreement, a national agreement, to pull the country out of this situation that mainly affects the needy sectors, the sectors of lower and medium incomes?

[Collor] This is exactly what we have been doing right from the beginning. I just referred to this specifically. Right from the beginning we have proposed a broad national understanding, a national dialogue. Deputy Bernardo Cabral, future justice minister and political coordinator for the administration Vice President Itamar Franco and I will head; with Senator Carlos Chiarelli, president of the senate; and Renan Calheiros, president of the chamber of deputies; have already shown that our talk about national dialogue is not just rhetoric. We have approached everyone, we have granted our utmost attention and consideration to everyone, as is our duty. I hope this dialogue will progress so we may quickly achieve the necessary unity on basic and common objectives to pull Brazil out of its current crisis.

[Fonseca] Augusto Fonseca from JORNAL DO BRASIL. Middle class investors have started to place their money in short-term deposits or the overnight market. At the same time people constantly phone sectors of the media asking what to do with their money after 15 March. They want to know whether to leave their money in short-term deposits or savings accounts. Could you please tell us what the investors should do with their money after 15 March?

[Collor] I think each person should decide what to do with his money. Each person should do what he deems most convenient. I am not a financial or economic consultant. It is my duty to govern the country [applause] and I hope that everyone, absolutely everyone, will have full confidence in the measures we are going to implement. Look here, we are going to pull

out of this crisis. You can be certain that we are going to get rid of inflation; we are going to get rid of corruption; we are going to do away with the miserable situation in which the majority of Brazilian people live. I have no doubt about this. This is my goal, my purpose, and I will fulfill it no matter what. As I said, we will fulfill our goal without placing the burden on the shoulders of the needy sectors. Those who have taken advantage of the situation over the past years will have to step up and, in a responsible, unilateral, and compulsory way, contribute to the economic adjustment process we will initiate on 15 March. The important thing is that inflation will be curbed through a joint effort. As I announced, I am going to declare war on inflation, war that will involve and demand a wartime effort. This effort will be made by thousands and thousands of Brazilians who will become involved with the president of the Republic in the national reconstruction process so our society may never again be plagued by profiteers who try to drain the state and country dry without giving anything in exchange.

[Marinho] Luiz Roberto Marinho, JORNAL DO COMERCIO from Recife. Mr. President, you started to draw up your government program at the end of 1989. The economic scenario has changed drastically on the eve of your inauguration. Estimated inflation for February amounts to 72 percent and is quite likely to be even higher in March when you take office. In view of this new economic scenario on the eve of your inauguration, what specific goals would you include in the government program you started to draw up in late 1989.

[Collor] There will be no significant changes because right from the beginning we took various scenarios into account; the inflation rate for 15 March, the level of foreign reserves we would inherit, the foreign debt situation, the eventual debts in arrears, and we are currently quite behind schedule in honoring our international commitments, the growth rates we would find, the employment and unemployment level, and so forth. Therefore, we have worked on various scenarios. I want to point out that the current situation matches the worse scenario we imagined. However, this does not compel us to make changes in the guidelines of our program. Our program remains unchanged, its guidelines are well defined. Any changes will only be to adapt it to the situation prevailing on the day we take over.

[Roldo] Deonilson Roldo from FOLHA DE SAO PAULO. You have just said that you are going to declare war on inflation. Yesterday you said you intend to reduce the inflation rate to 10 percent per month during the first 100 days in power. Does that state of war entail freezing prices or is this is a measure that you do not intend to implement?

[Collor] The measures of my government program will be disclosed to Brazilian society on 15 March when I am sworn in. As I said, price freezing is not included initially in any of our proposals. None of our proposals call for a price freeze. We have realized this measure does not follow the guidelines of a market economy. What is more, previous implementations of this measure proved ineffective. Therefore, we are not contemplating a price freeze. This is why it is regrettable to see how people mark up prices, and I insist on this point. Housewives can no longer bear going into a store, a supermarket, a marketplace, the grocery store on the corner, and find prices marked up daily at percentages way above those shown in the official inflation rate. We can no longer tolerate this. I maintain that inflation in Brazil today is not a case for authorities of the economic field alone, it is a case also for police authorities.

[Roldo] Do you intend to implement any sort of measure to reduce salaries and prices?

[Collor] Our economic program will be disclosed to all of Brazilian society on 15 March.

[Valderrama] Jaime Valderrama from the Voice of America. Mr. President, Brazil is one of the countries threatened with invasion by drug traffickers, especially now that the Colombian Government has declared war on the drug cartels. Do you have a specific program with which to fight this evil inside Brazil and a program of cooperation with other affected countries to overcome this situation?

[Collor] There is no doubt that we are interested, and we will give absolute priority to the fight against drug trafficking. Drug trafficking is decimating thousands upon thousands of people, taking away from a large majority of youths their interest in work and in life. This naturally must be vigorously fought. Brazil has already signed a number of agreements on technical support and technical assistance, and has exchanged information with the countries that are affected by this sad drug market. We wish continue with this work and to do still more so Brazil will not at any time be converted into a bypass for the drugs produced in other countries of our region.

[Cantanhede] Eliane Cantanhede of O ESTADO DE SAO PAULO journal and ESTADO News Agency. The Brazilian people are concerned about the diversion of available investment resources from Latin America, particularly Brazil, to Eastern European countries. We are aware you have discussed this with some of the foreign leaders you met. What are your conclusions now that you are back?

[Collor] I would not worry about that. Facts are simple and objective. Investors are only interested in a country if they can satisfy these three concerns: How much will I make? When will I see the returns? What will I invest in? All this translates into the word security. Investors need to find a safe environment for their investments.

Changes in Eastern European countries must be taken as truly revolutionary, perhaps only slightly less important than the ones of 1789, with extremely important repercussions for the next millennium. We must recognize that these countries have made great progress, but we also must recognize they do not really have a great

commercial tradition. It is difficult to create a commercial structure to consider, for instance, prices and salaries. They need to establish...create an awareness of what a market economy is. This situation will compel possible investors to think twice before investing in those countries despite the geographic or linguistic similarities. I think conditions are not yet appropriate. What we need to do is prevent being pushed aside by the process.

We do not want, as I said at the beginning of this conference and during my trip, to give the impression that I went abroad to ask anything of anyone. I did not go there to beg. I did not go there to say "listen, please help us," no, absolutely not. I went there to brief them on what we intend to do. They were interested. I was comforted by seeing that our proposals were not so different from what is understood to be modern, what moves the world forward. I was satisfied when I saw we held similar viewpoints, that we could talk and seek mutual advantages in Brazilian, Latin American, and world development. I have placed all apprehension on this subject behind me.

We must prepare our continent as a viable alternative to the developed world. We must integrate ourselves with the developed world, sit with them and discuss the problems delaying our development. I would like to see Brazil there. Brazil will be there at the end of my term, even if we have to sit in the last row. Brazil will be there representing not only Brazilian aspirations and expectations but the aspirations of all Latin America. I am sure other Latin American countries will try to be there representing the same aspirations.

[Sotomayor] Walter Sotomayor of the Mexican News Agency NOTIMEX. During your trip, European, Japanese, and U.S. authorities wanted to know your intentions regarding the reserve market in the area of computer science. What is your opinion regarding market reserves for computers, car manufacturing, and the pharmaceutical industry.

[Collor] As everyone knows, I have been trying to clarify my position regarding this issue for the past 18 months; for years. In principle, I am against any kind of market reserve, whatever kind it may be. I believe market reserves prevent the country from becoming competitive given the way these market reserves are applied: they favor inefficiency and conceal our incompetence. When I said Brazilian-made cars were true wagons in comparison with the intelligent cars of the developed world, some people understood me. Other people thought I was criticizing the Brazilian car industry. Poor Brazilian car industry. Although there is no market reserve for the car industry we all know there are preestablished rules preventing access to our market by other car makers. These are self-imposed internal rules of the Brazilian car industry.

However, Brazilian cars are real wagons. Perhaps it is not the fault of Brazilian car builders, but it is a consequence of our lack of access to modern technology. Therefore, in principle I am against any kind of market reserve.

As for technological and scientific knowledge, my belief, determination, and decision is the following: Do we have our own, competitive technology to develop in Brazil? Do we? Then we must develop it. As for other sectors, do we have our own competitive technology to develop? No, we do not. Only if we associate with another country will we become more competitive. We must do that.

Third question. [as heard] Do we have technology for competing in any other field? No, we do not. Therefore let us import technology. That is the easiest, fastest, and cheapest way to obtain it.

To believe Brazil will overcome this enormous gap [preceding word in English] and difference that currently exists between the technologically developed countries and us, is of course a midsummer night's dream. It is absolutely impossible. We must place aside these xenophobic bouts, these third-world arguments, and start out with the principle that we need to integrate ourselves. We must be objective and pragmatic. We cannot allow ourselves to remain behind for centuries and centuries, and that is how far we will soon be behind the developed countries in the field of technology.

As everyone knows, these market reserves currently promote a large amount of smuggling into the country. I mean smuggling of computer chips and of computers themselves. It is as if we were trying to sweep back the ocean.

We need a pragmatic approach to this problem otherwise the structure of sin that exists between the Northern and Southern Hemispheres will become more evident through the technological gap. As for the structure of sin, one or two Sundays ago, Pope John Paul II stated in an editorial in L'OBSERVATORE ROMANO, the official newspaper of the Vatican, that the current development and social justice gap between the Northern and Southern Hemispheres currently constitutes a new structure of sin. This statement by the Pope is very serious.

Our hemisphere cannot remain condemned to backwardness. We cannot contribute to such backwardness by establishing market reserves which, as I have been saying for so long, do not meet national interests but the private interests of a few people who benefit from them.

[Ferreira] Taissa Ferreira from CORREIO BRASILIENSE. Mr. President, given the current economic chaos in Brazil, the housing problem is becoming increasingly worse, especially rents. The laws that regulate rent adjustments are not applied. Even though tenants are willing to pay any amount of money, they have great difficulty in finding a house for rent because house owners prefer to keep their houses closed as long as the

economic measures of the new government are not known. What should tenants expect from the Collor administration?

[Collor] Tenants may expect the same as the rest of society. We will deal with the root of all these problems, inflation. In a time of economic trouble such as the one we are currently experiencing, it is absolutely impossible to impose any kind of control measures. Effective controls do not exist. However, there are punishments for the excesses or abuses committed by some people amid the economic chaos.

There currently is a large housing shortage, about 12 million homes, in this country. There is a lack of property either for sale or rent, even in Brasilia. I am citing Brasilia which is a different case because it is a city with a higher income level than other cities. Rents in Brasilia are extremely high. One cannot find a house for rent. I can also mention the city of Maceio, in Alagoas, my state. Rents in Maceio are increasing and it is hard to find houses or apartments for rent. This reflects the exacerbated state of the economy and the uneasiness felt by some sectors of Brazilian society who, not finding support and confidence in the current administration, are trying to avoid as best as possible the negative effects of the inflationary process.

Therefore, all I can say is that every one may expect an absolute control of the inflation, and an economic reorganization and restructuring, to allow Brazil return to the path of economic growth and social justice, as I always say. By social justice I mean providing an opportunity to all those who do not have homes, to have one.

[Ferreira] Do you still plan to sell government apartments and houses?

[Collor] Without doubt. I plan to do everything I promised.

[Saldanha] Patricia Saldanha from Unicom News. Mr. President, I would like to hear about your policy in the agricultural sector, mainly regarding credit, since one of your government proposals is to restrict public expenses. Such a proposal is somehow against a policy of subsidies for the agriculture sector.

[Collor] The agriculture policy for my country is to encourage the national productive sectors. Agriculture, as well as other sectors, has been without this encouragement, but agriculture is mainly affected because it depends on conditions it cannot control: sunlight and rain. There are certain times to plant soy beans, corn, beans, potatoes, and sugar cane. Each product has its own planting season.

We need to establish clear, stable rules to grant farmers financing at the appropriate times. We must reestablish the Bank of Brazil as a large sponsor of Brazilian agricultural policy. I believe that the Bank of Brazil agricultural portfolio was discontinued about a year ago. I do not even know if it has been restarted or recreated. Its elimination, however, represents a blow against the agricultural sector. We cannot allow this. The Bank of Brazil must be recovered as a great sponsor of the agricultural sector, with clear rules, money for preestablished financing, and even participation in the agricultural sector's production for the domestic and foreign markets.

The Brazilian state cannot avoid its role as a promoter of social justice. It cannot avoid being a sponsor of overall development since the state must establish the rules that must be followed by society and the economy. Only the state can sponsor social justice by suggesting guidelines to allow private enterprise to participate in solidarity. The state should never avoid sponsoring the development of agriculture.

In great developed countries, the agricultural sector is heavily supported by the state. Take France, England, and Italy as examples. Brazil will also fully support agriculture, because from our earth we obtain the food with which we feed all the Brazilian people and with which we export products to obtain funds that, during my administration, will finance our internal development.

[Announcer] The president-elect will now answer the last question.

[Brum] Nancy Brum from Rede Bandeirantes Radio and Television. Mr. President, you said yesterday that the current government should do something to control inflation. It so happens that whatever measure is adopted from now on, it will inevitably affect your administration. Therefore, would you accept an invitation from President Sarney to discuss anti-inflation measures?

[Collor] It is not a matter of adopting measures, such as the Provisional Measure No. 129 that modifies the budget law. Is that how we can stop the inflation process? That provisional measure authorizes the current government to spend as much as it wants out of the 1990 budget, a budget of which it should only be allowed to spend one-seventh. Is that the way to cooperate, to help? The measures that I think should be adopted are those which I have explained today.

Our inflation is not only a matter for the national economic and financial authorities; it is a police matter, a case that must be resolved by police authorities. These abuses must stop. That is what the current government should do. That is what society expects the government to do.

In the same way that a thief who robs a house is arrested, the government should also arrest those thieves who mark up prices to the absurd levels that we are now seeing. This means that Brazil is experiencing total impunity. We can no longer tolerate this. We can no longer stand the exaggerated profits that these promoters of price markups are realizing in Brazil. This is absurd. There are effective measures to combat inflation that we

expect the current government to adopt and to set as an example. There is still time. I hope the current government will adopt some of these measures to set an example and to demonstrate that no one else will benefit from a situation as economically unbalanced as this one.

[Brum] But would you accept such an invitation, Mr. President?

[Collor] I have no problem with sitting at a table with anyone as long as I feel that my counterpart truly wishes to institute measures to solve Brazil's difficulties. Unfortunately, I have not seen such an attitude in the current administration. Provisional Measure No. 129 passed by the current administration will cause fatal damage to the ethics of this country. This is not the way to find common ground in the 30 or so days until the transfer of power on 15 March. It is regrettable that such a provisional measure has been passed. It attacks our ethics and undermines the guidelines that can steer Brazil toward a solution to the crisis we are experiencing.

Mirage Crashes Near Anapolis Air Force Base

PY1602123090 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 15 Feb 90

[Text] A Brazilian Air Force Mirage aircraft has crashed near the Anapolis Air Force base in Goias State while conducting air combat training maneuvers.

Pilot Henrique Roberto Martins was carrying out landing maneuvers when the Mirage crashed on the runway. He died instantly. The accident was reportedly caused by a turbine failure. Out of the 16 Mirage airplanes at the Anapolis Air Force Base, five have already crashed.

Possible Satellite Fragments Found in Bahia

PY1502152990 Rio de Janeiro O GLOBO in Portuguese 14 Feb 90 p 8

[Text] Three unidentified objects—80 cm in diameter and 13 kg each—that came from space (probably satellite fragments) have fallen on cattle ranches near the city of Santa Luz in Bahia State. The objects fell five months ago but the farmers, fearing they were evil, never came close to them.

One of the spheres was analyzed by nuclear physicist Alberto Bruno Novaes, who argued that they are fragments from a satellite. He thinks that the object is probably from a Soviet satellite as it contains markings in the Russian Cyrillic alphabet.

Chile

Aylwin Sends Letter to Gorbachev Via Delegation

PY1502200890 Santiago EL MERCURIO in Spanish 5 Feb 90 p C 5

[Excerpts] A Central Labor Union [CUT] delegation handed a letter to a Soviet deputy foreign minister during a 12-day official visit to Moscow and Leningrad. The letter was sent by President-elect Patricio Aylwin to Soviet leader Mikhail Gorbachev.

This announcement was made to EL MERCURIO yesterday by CUT acting president Diego Olivares, who led the delegation of five CUT members who visited the USSR in response to an invitation from Soviet labor unions.

In his letter Aylwin greets Gorbachev and "stresses his key role in the changing relations with western countries. He also expresses his decision to resume bilateral relations as soon as possible," Olivares said.

Olivares admitted that despite their wishes they were unable to hand the letter directly to Gorbachev because he had traveled to Lithuania. He pointed out, however, that they were told the letter was finally delivered to Gorbachev. Olivares said that the CUT delegation included CUT leaders Ricardo Barrenechea, Manuel Jimenez, Jaime Martinez, Manuel Rodriguez, and himself. [passage omitted]

He added that in response to a CUT invitation a Soviet labor union delegation might visit Chile in March to attend the presidential inauguration and the first CUT conference, scheduled for April.

Communist Party Not Invited to Inauguration

PY1502150090 Santiago Domestic Service in Spanish 0930 GMT 14 Feb 90

[Excerpts] Officials of the new regime have not invited the Communist Party of Chile [PCCh] to participate in the inauguration ceremonies for President-elect Patricio Aylwin. Future Interior Minister Enrique Krauss made this statement at La Moneda Palace after the last meeting of incumbent and future government officials to discuss details of the transfer of power. [passage omitted]

As for the PCCh's declaration that it will play an active role in the inauguration ceremonies, Krauss said:

[Begin Krauss recording] No, we have not sent any invitation to the Communist Party or.... [changes thought] The truth is that the invitations have not yet been made. This is just an expression of intention. We have not extended any invitation at all, nor will we. [end recording] [passage omitted]

32 Labor Leaders Invited by CUT

PY1602021190 Santiago Domestic Service in Spanish 2200 GMT 15 Feb 90

[Text] Lech Walesa, Polish union leader and winner of the Nobel Peace Prize, will soon respond to the Chilean Central Labor Union's [CUT] invitation to attend President-elect Patricio Aylwin's inauguration on 11 March, according to Diego Olivares, CUT acting president. Olivares added that Walesa may find it difficult to come to Chile because the Polish labor leaders are preparing a

congress scheduled for April. Olivares stated that Walesa has received CUT's formal invitation and that he, Olivares, is in touch with top leaders of the International Conference of Free Trade Union Organizations [ICFTUO].

Olivares stated that none of the 32 invitations that the CUT has sent abroad has been addressed to Nicaraguan or Cuban labor leaders.

Easter Island Satellite Station Dedicated

PY1602121490 Santiago Radio Chilena Network in Spanish 1600 GMT 15 Feb 90

[Text] Interior Minister Carlos Caceres has presided over an Entel [National Telecommunications Enterprise] ceremony on Easter Island to dedicate a modern satellite station.

This station will provide Easter Island inhabitants with national and international telephone service and other benefits. The station, which cost $750,000, is connected to a similar station at Longovillo via satellite.

Major General Jorge Ballerino, secretary general of the Presidency; National Resources Minister Armando Alvarez [title as heard]; Interior Under Secretary Gonzalo Garcia; and many other officials also attended the ceremony.

* Almeyda Confident of Socialist Party's Future

90ET0091A Santiago HOY in Spanish 8-14 Jan 90 pp 8-9

[Interview with Clodomiro Almeyda, Socialist Party president, by Ana Rodriguez: "'I Consider Myself as Progressive as Arrate'"; date and place not given; first paragraph is introduction]

[Text] Clodomiro Almeyda is playing a new role in his party and his position. He feels extremely comfortable as president of the unified Socialist Party [PS], although he knows that he has broken with a historic socialist tradition. "The leader" is a secretary general. And this post went to Jorge Arrate. But "Don Cloro," as his party colleagues fondly call him, is energetic in his assertion that neither of the two leaders stands above the other, and that the two will be able "to coexist" harmoniously on the top power level of the Socialist Party of Chile, which, after 10 years of schism, is welcoming the returned Arrate and Almeyda supporters together.

[HOY] You say that this term "renewed socialism" does not sound right to you, and that you even find it somewhat snobbish. Have you changed your view?

[Almeyda] I agree with what Arrate said last week on the subject of renewed socialism. The fact is it is not the concept I do not like, but the word "renewed."

[HOY] Why does this word bother you?

[Almeyda] Because it is frequently used by right-wingers in referring to what they see as a rejection of positions representing the socialist principles. They use the word "renewed" in referring to socialists who are ceasing to be socialists, and whose ideology or thinking is obsolete, outdated, archaic. They are, then, good socialists, and not bad socialists.

[HOY] Arrate has said that the unified Socialist Party is not Marxist-Leninist. Have you perhaps rejected Marxism in the interests of unity?

[Almeyda] No, no one has rejected anything. Socialism is achieved via various paths—Marxism, Christianity, rationalist thinking. It is for this reason that there are in this party individuals who admit to various ideological positions, but all share the socialist philosophy, and no one is rejecting anything.

[HOY] But a party must have an ideological definition or consistency, from which its political lines derive. It is hard for a party to survive with these differences within it.

[Almeyda] This is not true with regard to the socialists. There are socialists who admit to different ideological definitions, even within Marxism.

[HOY] Don't you think that there is a serious risk that these natural differences within the party will become more acute, to the point of threatening your survival?

[Almeyda] Yes, I believe that there is a risk for the united PS, and a challenge—to function, in view of the differences, which are not necessarily so small, without destroying political efficiency and without inconsistencies in the action and the definition with regard to reality.

[HOY] In terms of the leadership of the unified socialists, how should we view a party with two heads? The natural thing is for either the president or the secretary general to make the decisions.

[Almeyda] In all parties, except those based on one personality, there is not one single individual who makes the decisions, but rather collegiate bodies—the board of officers, the political commission, or the national council.

[HOY] But there are some levels which are more important than others, because there is a hierarchic structure. And traditionally, the secretary general takes the lead in making decisions.

[Almeyda] Yes, the majority of the socialist parties have the organic structure derived from the first communist parties, and the secretary general is the most important individual.

[HOY] And is this true in the case of the unified PS of Chile, as well?

[Almeyda] In this case, no. Now we are in a situation characterized by the redefinition of the roles of the president and the secretary general.

[HOY] But when the time comes for determining the balance of forces within the new party, there are two facts which may be considered. The former Arrate PS achieved better results in the elections than the former Almeyda PS, and the socialism of the Arrate stripe imposed its renewal stamp on socialist unity. This suggests that the faction headed by Arrate may dominate.

[Almeyda] That is the opinion of some people. But I believe that this is not the case, because after the elections, no one can know who is stronger, because Arrate's people voted for us and we voted for them. Moreover, I feel that I am as progressive as Arrate, or more so. Or do you think that we should define ourselves as fossil or paralyzed socialists?

[HOY] But there was some reason for the existence of a hard-line sector in your party which opposed unity. The leader Camilo Escalona, for example, who argued against you, saying that "there is no need to convert the lion into a cat, allowing social democratization."

[Almeyda] That is not right, because in the four plenary sessions we had after I left Capuchinos, there was no opposition to unity. And Camilo Escalona favored it.

[HOY] But you cannot tell me that there were no differences, because there were basic disagreements with the Arrate people, which must inevitably have changed in order for unity to come about. And this means internal discussion within Almeyda's socialist faction.

[Almeyda] Yes, there were differences among us, and they continue to exist, not only among us but also between them and us. Now, I believe that the differences are necessary, because one of the good things about socialism is pluralism.

[HOY] All the socialists reached an understanding in order to bring about unity. But one can see from the documents and the political line that the renewal proposal which Arrate's socialism embodied was what finally won out.

[Almeyda] That is your opinion.

[HOY] But you have undergone an evolution.

[Almeyda] Like all parties, and especially the Marxist socialist ones, since we are required to develop.

[HOY] And this development has moved in the direction of the renewal advocated by the former Arrate PS.

[Almeyda] Renewal involves taking into account what is happening in the domestic and international reality, assimilating these changes, and as a function of them, making decisions to deal with things. If the party failed to assimilate these changes, it would be responding to a reality which is now in the past.

[HOY] With regard to Escalona's fear that unity is transforming the lion into a cat and making the party social democratic, do you believe that this risk exists, that it is threatening unified socialism?

[Almeyda] In any renewal, there are two elements—continuity is one, and disruption is the other. And there must be a balance between the two. The danger does exist that a party may change so much that it will cease to be what it is.

[HOY] And is it probable that this will occur in your unified PS?

[Almeyda] I am aware that this risk exists, but we believe that we will deal with it successfully, because if we did not have this optimistic approach, we would not have undertaken this venture.

[HOY] Why did Almeyda's socialists refuse to promote unity by joining with the PPD [Party for Democracy], as Lagos wanted?

[Almeyda] The Arrate faction never suggested this to us.

[HOY] But in the letter you sent to Arrate about unity, you proposed alternatives for the future of the PPD. However, there was no mention at all of the option favored by Lagos and the PPD among them.

[Almeyda] We have not reached an understanding with the PPD, but with Arrate, and Arrate never proposed this to us.

[HOY] Do you sincerely believe that Lagos will allow his party, the PPD, to lose its status as a party and to become a broad and ill-defined movement including other parties, independents, organizations, etc.? This was one of the options you set forth in the letter.

[Almeyda] None of us who participated in this debate, which just began recently, have any fixed, rigid, immutable positions, and I have found Lagos very receptive to what has been suggested during these talks.

[HOY] Now that the socialists are united and have joined forces, you can use your weight against the Christian Democrats, and you have the strength to hope to implement your socialist program. Do you hope to win government power in another 4 years?

[Almeyda] With the way things are developing in Chile and the world, I believe that 4 years is too far away for planning what it is that we are going to do. But I can tell you that the longer the understanding among the democratic forces of the center and the left lasts, the better it is for us. Our desire is for this understanding to last as long as possible, even beyond 4 years, because this allows us to advance.

[HOY] In a recent interview, Arrate said that the East Germans were leaving their country because "they were suffering from a tremendous, a terrible lack of freedom,"

and "because they were being smothered by a dictatorship." You, on the other hand, said some time ago that the Germans were crossing the frontiers of the GDR as tourists, and in search of risk and adventure, because they were bored by the great security and satisfaction of needs they experienced in their own country. How can two leaders of the same party have such different views of the same phenomenon?

[Almeyda] We agree entirely with Arrate in this connection.

[HOY] You have changed your view, then?

[Almeyda] No, I have not changed my view. The fact is that in that interview, I said that what was involved was also a political problem. And not only political, but spiritual, so that they were leaving because of the isolation, the lack of prospects, the lack of a sense of risk. The people want freedom, to put an end to isolation and monotony. They are not satisfied with the security which the GDR guarantees them.

[HOY] Arrate has said that there is a dictatorship in Cuba. This is a strong opinion for a leftist leader, however progressive he might be.

[Almeyda] It is not a strong opinion. All of the parties of the left whose thinking is Marxist know that all states are dictatorships.

[HOY] But using the word "dictatorship" in the usual way, do you share this view?

[Almeyda] I do not believe that my thinking is very different from what Arrate said about the situation in Cuba. Basically we receive the same information.

Colombia

Barco Rules Out Talks With Drug Traffickers

PA1602142690 Bogota Radio Cadena Nacional in Spanish 1216 GMT 16 Feb 90

[Text] Cartagena—Colombian President Virgilio Barco Vargas has said that he will not hold talks with narcoterrorists because Colombian law is not negotiable.

Barco made that statement following the Cartagena summit in which Bolivia, Peru, and the United States also participated.

Rejecting any possible talks on the subject, Barco stressed: Colombian policy has not changed—drug traffickers must stop their illegal business activities, surrender everything, and respect the law.

President Barco said that the Cartagena summit clears the path for adopting commercial measures to strengthen the economies of our countries. He also told his colleagues that, for the first time, and by facing the problem from all its angles, they have agreed on a common strategy for future actions in the struggle against drug trafficking.

Reaction to President Bush's Visit Reported

PA1602011490 Hamburg DPA in Spanish 2334 GMT 15 Feb 90

[Text] Bogota, 15 Feb (DPA)—Colombians were divided today on the issue of U.S. President George Bush's visit to participate in the antidrug summit in Cartagena with his counterparts from Bolivia, Jaime Paz Zamora; Peru, Alan Garcia; and host, Virgilio Barco Vargas.

While the Bogota newspaper EL TIEMPO, the most influential in the country, greeted "very cordially the representative of a nation that is respected and admired for its tradition in the struggle against the totalitarian threat," political, labor, and union leaders said "it is not right to welcome as a hero someone who has caused suffering in Latin America."

The EL TIEMPO editorial says: "Certain anti-U.S. feelings prevail, and they might create a false nationalism."

Meanwhile, former presidential candidate Alvaro Gomez Hurtado, one of the main leaders in the Social Conservative Party (PSC, the largest opposition party) said: "Bush's visit to Cartagena was a good show for him, but very expensive for Colombia."

Meanwhile, Ernesto Samper Pizano, presidential candidate of the ruling Liberal Party, said that the Colombians "need just prices for our export products rather than military equipment or a congratulatory pat on the back."

The leftists went even further and said: "(The Latin American people) will never be happy as long as we work as servants," and they added that "President Bush knows very well what the true solution to the drug-trafficking problem is."

The most radical demonstrations were staged by university students and guerrilla forces who perpetrated violent actions in several areas of the country.

In Bogota, students and policemen clashed for the second day in front of the state-owned National University, while a truck belonging to the multinational Coca-Cola Company and a public service bus were burned in Medellin.

The demonstrators shouted: "Get out of Colombia, tyrant invader!"

The Defense Ministry also reported that rebels of the Army of National Liberation (ELN) seized control of a road in northeastern Santander Department and burned another intercity bus "to protest Bush's visit."

Nevertheless, authorities said that "these events did not taint the image of a peaceful and civilized Colombia that foreigners have taken with them."

The Armed Forces were put on a "maximum state of alert" to prevent disruptions of public order during the summit.

Defense Ministry Denies Repor on U.S. Radar

PA1502210690 Bogota Inravision Television Cadena 1 in Spanish 1750 GMT 15 Feb 90

[Report by Liliana Vigoya]

[Text] According to the Defense Ministry, the U.S. Air Force C-130 Hercules plane, which landed at 1626 on 12 February at Bucaramanga's Palo Negro Airport, brought hospital, surgical, and anesthesia material, and tools for the region's peasants, not radar as reported by the U.S. NBC television network:

[Begin Defense Ministry Press Director Eduardo Arevalo recording] That report is false. The cargo has been stored in the national customs warehouses in Giron and is being processed. [end recording]

However, Cinevision newscast has learned that in the short run, the first radar will be installed to control drug-trafficking operations on national territory. Army Commander General Jesus Armando Arias Cabrales has confirmed this:

[Begin Arias recording] With this technical aid we are seeking to improve the situation and exercise a greater territorial sovereignty, especially over our airspace. Therefore, once this equipment has been operated, managed, and maintained by Colombian personnel, we will have a better indication concerning who is surreptitiously entering our territory. [end recording]

One of the first antinarcotics radars would be installed here at the Rio Hacha Airport.

U.S. Priest Reportedly Kidnapped in Cali

PA1502175590 Madrid EFE in Spanish 1653 GMT 15 Feb 90

[Text] Bogota, 15 Feb (EFE)—U.S. Priest Francisco Amico was kidnapped today in the city of Cali by an unidentified group. This was reported by another Colombian Priest, Rafael Lopera, who is a member of the "Basilian Community," to which Amico belongs.

Although no one has yet claimed responsibility for the kidnapping, it could be part of "Operation Colombia," announced by the pro-Castrist Army of National Lilberation Camilist Union guerrrilla group (UC-ELN) in protest of President George Bush's visit to Colombia.

Two other U.S. citizens were kidnapped on 12 and 13 February by a UC-ELN "Nelson Mandela" command group in Medellin, 250 km northeast of Bogota. They were Arthur Donelley, an industrialist who was released on 13 February with a message which protested the Bush visit to Colombia, and Professor David Leslie Kent, who is still being held by his captors.

Priest Rafael Lopera said that the kidnapped priest is a parish priest at the "Andres Sanin" neighborhood on the eastern side of Cali, a city located 400 km southwest of Bogota.

Lopera added that "the Basilian Community has eight members, four of whom are priests." He reported that Amico disappeared this morning on his way to the "Sisters of Theresa of Calcutta" neighborhood, where he was going to officiate a mass.

Student Demonstrations in Neiva, Medellin

PA1502184290 Bogota Inravision Television Cadena 1 in Spanish 1717 GMT 15 Feb 90

[Text] Disturbances have been reported in Neiva, Huila Department, but no casualties have been reported by authorities. Meanwhile, disturbances were also reported in Medellin, Antioquia Department, where University of Antioquia students burned two vehicles this morning.

While President Barco was delivering his welcoming speech to the presidents attending the drug summit, the University of Antioquia students clashed with the police, protesting President Bush's visit to Colombia. A public bus and private van were burned by a group of university students who then threw stones and bottles at the policemen trying to disperse them with teargas. The students also shouted slogans against U.S. imperialism. The vehicles were totally destroyed by fire while the police tried in vain to control the students. Damage is estimated at seven million pesos.

The demonstration lasted several hours, and all academic activities were suspended. University administrative employees, professors, and students were ordered to leave the campus. The situation is currently under control but there are still some university students on campus trying to resume the demonstrations by hurling stones.

Former Minister Wounded; Official Found Dead

PA1602150790 Bogota Radio Cadena Nacional in Spanish 1230 GMT 16 Feb 90

[Text] Bogota—Authorities have begun an investigation to clarify the motive for and identify the perpetrators of an attack in which businessman and former Public Works Minister Carlos Enrique Obando Velasco was wounded yesterday in northern Bogota.

According to official reports, Obando Velasco was shot three times by unidentified individuals who fired from a yellow taxi as he was entering a building at 92d Street and Ninth Avenue, in the Chico neighborhood in northern Bogota. Obando Velasco, 70, has occupied high government positions and is a well-known industrialist.

Doctors at the clinic where he was taken said he had to undergo surgery to extract a bullet from his head, adding that his condition is serious but stable.

Meanwhile, it was reported in Medellin that funeral services for Dr. Alfonso Ospina Ospina will be held at La Aurora Chapel. Ospina was kidnapped last year and his body was found last night between 2200 and 2300, according to information we obtained from authorities and from Ospina's relatives. The exact place where the body was discovered has not yet been disclosed.

Ospina was kidnapped last year as he was heading to the Jose Maria Cordoba International Airport. He was secretary general of the Presidency during Belisario Betancur's government. At the time of his kidnapping he was Antioquia Senator Ignacio Velez Escobar's alternate.

We recall that Ospina had been in a helicopter crash in which Conservative leader J. Emilio Valderrama was killed.

Ecuador

Officials React to Cartagena Drug Summit

Cordovez Reacts Positively

PA1602022590 Quito Radio Quito in Spanish 2300 GMT 15 Feb 90

[Interview with Foreign Minister Diego Cordovez by unidentified reporter; date and place not given—recorded]

[Text] [Annoucer] Economic officials have explained to the ambassadors of the industralized countries the situation concerning the foreign debt and the economic stabilization program. These explanations were given at an important meeting held in the chancellery this morning. Government officials have asserted that both matters are advancing positively. Foreign Minister Diego Cordovez was also present and used the opportunity to report to the ambassadors that the Cartagena de Indias, Colombia drug summit had been very positive.

[Cordovez] Because we do not produce cocaine in the amounts that are produced by other countries, I believe that we have to maintain a correct perspective. We are an island of peace, and it is important that foreign countries continue to have this image of us....

[Reporter, interrupting] Anyway, how do you see...

[Cordovez, interrupting] Now, looking at another aspect of this problem, my words do not mean that we are not very concerned about the drug problem. We are taking all necessary measures to control it and have established international cooperation agreements that I believe will be very similar to those that are going to be signed in Cartagena. Obviously, [words indistinct] the danger is that drugs could become more of a problem for Ecuador or that they could increase. However, I believe that [words indistinct] I attended the San Jose meeting with President Borja and had a conversation with the U.S. Secretary of State on this matter. A few weeks later, the secretary of state sent a top-level State Department official to Ecuador. He talked here with the president and government minister and, as a result of these conversations, the drug cooperation program that was started in Ecuador a few years back will be increased.

Vallejo Speaks on Exclusion

PA1602025990 Paris AFP in Spanish 0101 GMT 16 Feb 90

[Text] Quito, 15 Feb (AFP)—Ecuadoran Government Minister Andres Vallejo said today that he feels "great satisfaction" at not having been present at the antidrug summit in the Colombian city of Cartagena, where the Bolivian, Colombian, Peruvian, and U.S. presidents were gathered today. However, Congress President Wilfrido Lucero deplored the absence and blamed the United States for it.

At a meeting with foreign correspondents, Vallejo said that the summit has taken place at a time when the drug traffickers' offensive has reached a crisis stage in those countries, while "Ecuador is truly an island with no economic dependence or violence resulting from" this scourge, which it will fight with every means.

"We want to make it abundantly clear to the drug traffickers that Ecuador is not a paradise" for their activities and that "we are prepared to fight it seriously with all the risks that it involves."

The day before, Lucero had said that Ecuador should have been invited to Cartagena even though its situtation is different from that of Bolivia, Colombia, and Peru.

"I want to know if the United States is simply going to hunt for drug lords in other countries without telling us who the drug lords are in their own country," the president of Congress said.

"We Latin Americans want to know this so that we will not look like the bad guys from the movies, and the responsibility of the North Americans will be absolved," Lucero added.

Analyzing the drug situation in Ecuador, Minister Vallejo said that Ecuador "cannot be regarded as a producer," but it is a link in the transportation of drugs from Bolivia and Peru to Colombia.

He said that even though imports of chemicals for cocaine manufacturing had increased from 1985 to 1988, with the probable destination being Colombia, these purchases have dropped 350 percent, and the government intends to reduce them even further.

Vallejo said that his country bears no sign of economic dependence or has any problems with violence because of the measures that were adopted several years ago, such as the labor legislation that has prevented "the dramatic differences," present in other countries, from occurring. For this reason, "there is a climate of social peace that we intend to preserve at any cost."

Paraguay

Chamber of Deputies Approves Direct Vote System

PY1502231190 Asuncion EL DIARIO in Spanish 14 Feb 90 pp 4, 5

[Text] Miguel Angel Aquino, president of the Chamber of Deputies, yesterday broke the deadlocked vote on the controversial Clause E in Article 34 of the Electoral Code after a 13-hour debate. Twice the vote was tied, 35 for and against. Aquino, empowered by Article 143 of the chamber's internal regulations, cast the deciding vote in favor of the direct-vote system for electing political party leaders, making it 36 votes for and 35 votes against the measure.

The first session went into recess after midnight on 12 February. The session resumed the following day at 0930 with the same agenda of 20 deputies remaining to speak. The deputies debated the clause until 1400, when an agreement was reached to vote on two motions.

One motion, the majority motion, was for the direct vote mechanism to elect political leaders of party precincts and local committees only. The second, the minority motion, was for the direct vote to elect political party leadership. Deputy Victor Hugo Sanchez, member of the traditionalist MIC faction [Colorado Integration Movement], proposed that the minority motion become the same as Article 95 of the Electoral Code submitted by the executive branch, including Clause E. This motion was supported by members of the Constitutional Affairs, Legislation, and Codification Committee. A third motion was withdrawn by Deputy Augusto Brun of the Authentic Radical Liberal Party, who believed it was the same in spirit as the one supported by the minority.

The deputies debated for about 30 minutes on how they were going to vote. Bernardino Cano, Colorado Party member of the democratic faction, suggested a nominal, stand-up vote. Since he did not have the support for a stand-up vote, he said he would be satisfied if the vote were nominal. Finally, an agreement was reached that the vote be nominal and that the options be the ones supported by the two factions. The voting began at 1430 and ended in a tie, 35 votes for each side. Deputy Persio Da Silva was the only one absent.

Article 143 of the Chamber of Deputies internal regulations says that in case of a tie, a new debate should be held, and if a new tie occurs, the president of the Chamber of Deputies should cast the deciding vote. Therefore, the deputies sought some kind of compromise agreement, but none of the proposals succeeded. Then, approximately one dozen deputies spoke in favor or against the motions, and a second vote was taken.

The result was another tie of 35 votes for each side. Chamber President Aquino then broke the tie by voting for the motion of the minority. This is how the debate of more than nine hours over Clause E of Article 34, establishing the direct vote for electing party leadership, concluded.

Commander Speaks on Democratic Process

PY1502012790 Asuncion ABC COLOR in Spanish 15 Feb 90 p 6

[Text] Colonel Ramon Antonio Garcete, commander of the Military Reserves Training Institutes Command (CIMEFOR), yesterday said: "We hope the political parties will give healthy guidance to their members. Currently, we must concern ourselves with guiding the democratic process and establishing a stable democratic process, without threats, offenses, or the adoption of hard or radical positions. Meanwhile, the Armed Forces will defend our sovereignty, our territorial integrity, and our domestic security."

Col. Garcete said at the ceremony closing the 1989-1990 period of military instruction at CIMEFOR: "The action conducted on 2 and 3 February 1989, President Rodriguez' proclamation on the occasion, and the democratic process started by his administration have created the appropriate atmosphere for the free development of our civic life." The ceremony was presided over by President Andres Rodriguez and first lady Nelida Reig.

Hoping that arbitrariness and injustice will be ended forever, Col. Garcete said: "We hope the political parties will give healthy guidance to their members; that the workers have perseverance and trust the government's honest intentions; and that all sectors of our society pursue these noble objectives with solidarity, understanding, and unity."

"Meanwhile, the Armed Forces, a permanent institution based on hierarchy, discipline, and professional training, will defend our sovereignty, our territorial integrity, ensure our domestic security, and contribute to the national economic and social development," he said.

Addressing the sublieutenants and midshipmen, Garcete urged them "to leave the path that leads to easy self-promotion and to get ready to live in a different society that will demand the selection of the best trained professionals, the most skilled, and the most honest ones. This command exhorts you to never abandon the school of truth," he added.

He also encouraged them "to defend justice in the barracks, in your homes with your families and friends, and be fair to yourselves; and to follow the example of your commanders and be honest, peaceful in your dialogues, loving and grateful to your elders, and learn to love and live this sublime feeling in the bosom of your families."

New Presidential Protocol Director Installed

PY1502150790 Asuncion EL DIARIO in Spanish 14 Feb 90 p 13

[Excerpt] Gilberto Caniza Sanchiz was sworn in yesterday as the new protocol director in a ceremony held at the presidential general secretariat. Caniza was installed by Secretary General of the Presidency Conrado Pappalardo. [passage omitted]

Itaipu Workers Begin Strike, Present Demands

PY1502203190 Asuncion ABC COLOR in Spanish 15 Feb 90 p 12

[Excerpts] Itaipu workers are on strike today, presenting a six-point claim. The decision to hold an indefinite strike was made last night after a long meeting in which an effort to reconcile conflicting positions failed. Engineer Fidencio Tardivo, the Paraguayan director general of the binational entity; Dr. Victor Pena Gamba, the acting director of the Labor General Directorate; and Juan Carlos Ozuna, the general secretary of the Trade Union of Itaipu Binational Enterprise Workers (STEIBI) [Sindicato de Trabajadores de la Empresa Itaipu Binacional], the trade union that called the strike, participated in the meeting.

Itaipu project workers, demanding social benefits they allege belong to them, began their strike at 0000 today. The strike, which in principle, was called by STEIBI, is supported by other trade unions that disagreed with the previous strike in December 1989.

The points petitioned by the workers are as follows: 1) food coupons; 2) an additional 66-percent payment for vacations; 3) equal treatment in social and economic matters for the binational entity employees and the service workers [requisitados] (workers hired by contractor companies that render services to the Itaipu Binational Enterprise); 4) travel allowances for personnel, no matter if they are hired in Ciudad del Este [formerly Puerto Presidente Stroessner] or in any other point in the country; 5) a formal commitment by the Itaipu Binational Enterprise to sign the collective bargaining contract; and 6) workers' representatives on the Itaipu Administrative Council [Consejo de Administracion de Itaipu]. [passage omitted]

Dr. Victor Manuel Pena Gamba, the acting director of the Labor General Directorate, said yesterday that the strike itself is illegal "because any strike, such as this one, that does not meet the Labor Code rules is described as illegal." [passage omitted]

Peru

Peasants, Terrorists Die During Clashes

PY1502210890 Madrid EFE in Spanish 2156 GMT 14 Feb 90

[Text] Lima, 14 Feb (EFE)—A military spokesman reported in Lima today that at least nine peasants and seven terrorists have died in two armed clashes in the highlands of the Peruvian Andean mountain range.

A Shining Path armed column last Sunday night entered Sol Naciente, La Mar Province, and tried to force the 300 residents to support the armed struggle with food and medicines, the spokesman said.

A witness told the military that nine peasants were riddled with bullets and 15 others were seriously injured when they attacked the terrorists with stones and sticks.

La Mar, a province of the Ayacucho Department, is 720 km southeast of Lima.

The spokesman said seven terrorists were murdered last Tuesday night by members of the "peasant defense patrol" following a clash in the township of Andamarca, where the terrorists had gone to demand "war contributions."

The official report did not reveal if there were casualties among the "Peasant Defense Patrol," created by the Army to defend towns that lack security forces.

Andamarca, a small town in the highlands of Huancayo, is on the border with Ayacucho 317 km east of Lima, the Andean zone most affected by terrorism.

Meanwhile, General Petronio Fernandez, chief of the Ayacucho political command, reported today that the Army found a powerful arsenal in the township of Cangari, and a mobile hospital in Huanta.

Fernandez told the Ayacucho press that the Army found several mortars, machine guns, light automatic rifles, a large quantity of ammunition, dynamite, high-power transmitters, and "other powerful war equipment."

Fernandez, however, declined to comment whether or not Shining Path terrorists were arrested at the arsenal.

He said the arsenal was discovered when a squad of soldiers pursued a column of Shining Path terrorists who had bombed the Ayarhuacuna bridge and destroyed two high-tension pylons, which isolated and caused a blackout in Huanta, on the only route to Ayacucho.

A few hours before General Fernandez called the press to the "Los Cabitos" garrison, a group of Shining Path terrorists murdered Dolores Chavez Gonzalez, the education deputy director of Ayacucho, 576 km southeast of Lima.

Subversives Murder Education Official in Ayacucho

PY1502142590 Madrid EFE in Spanish 1405 GMT 14 Feb 90

[Text] Ayacucho, 14 Feb (EFE)—Alleged Shining Path terrorists murdered Dolores Chavez Gonzalez, deputy director of education in Ayacucho, early this morning. The Ayacucho police reported that the terrorists entered Chavez' house at 0400 and shot her to death.

Dolores Chavez was the wife of Juan Huamani, a local leader of the American Revolutionary Popular Alliance (APRA), and the mother of three children.

About 18,000 people have become victims of the Shining Path's political violence since May 1980. The Shining Path is trying to obstruct the 8 April general elections through the use of terror, as it did during the municipal elections last November.

Venezuela

Foreign Minister Awaits Results of Drug Summit

PA1602035190 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 16 Feb 90

[Text] Foreign Minister Reinaldo Figueredo Planchart has described the antidrug summit, held in Cartagena de Indias, Colombia, as a meeting of extraordinary importance from which important and powerful results are expected, which will benefit the Latin American nations.

Figueredo added that it is necessary to await the outcome of the summit because this is the first time that an event of this kind has occurred. The foreign minister said that once the resolutions are announced he will preside over a special meeting on drugs to be held at the United Nations on 21 March. At this meeting, the effects of the Cartagena summit will be analyzed in depth.

[Begin Figueredo recording] We have been in touch and informed. However, we will wait for the results to determine how Venezuela can join in this and other efforts. [end recording]

He also announced that the presidents of Costa Rica, Honduras, Guatemala, and Spain will meet with President Carlos Andres Perez on 10 March. Figueredo also said Perez will attend the inaugural of President Patricio Alwyin in Chile on 11 February [date as heard]. At this time, the regional heads of state will have an opportunity to discuss subjects related to the region.

Commentary Considers Summit, War on Drugs

PA1602033290 Caracas Venezolana de Television Canal 8 in Spanish 0000 GMT 16 Feb 90

["International Analysis" commentary by Julio Cesar Pineda]

[Text] Good evening, friends. The leading international news is the meeting that has just concluded in Cartagena, where 80 percent of the processed cocaine and 80 percent of its consumption, represented by the four heads of state, summarized the tragedy of mankind. This is the most important problem to be settled in the 1990's. The United Nations, through multilateral organizations, and individual states have understood that drugs affect our political, military, economic, and social powers. For this reason, today we will present an analysis of drugs on the occasion of the Cartagena meeting. Let us now move on to our in-depth analysis.

The presidents of the cocaine-producing countries, Jaime Paz Zamora of Bolivia, Virgilio Barco of Colombia, and Alan Garcia of Peru, and the President of the biggest cocaine-consuming nation, George Bush, have concluded an antidrug summit in Cartagena, a city turned into a fortress for security reasons. While the first meeting on drugs was being held by heads of states 600 km from Bogota, the international community held a meeting at the United Nations in New York on cooperation against the production, supply, demand, transportation, and distribution of drugs. Cocaine was the central topic in both meetings. A leaf four cm long and three cm wide, sacred in the Aymara and Quechua cultures in Upper Peru, coca is dangerous to the health of the world community and represents a threat with economic, political, social, and military implications for individual states and the international system. As much as $300 billion in profits from drug trafficking is being laundered. The fall of the Berlin Wall has opened a new market for drugs in East Europe.

In July 1989, the developed countries, at the Summit of the Seven, expressed their concern over both the increasing consumption of drugs and the laundering of money in their territories. They even suggested eliminating bank secrecy, which creates fiscal havens for drug traffickers, as happened in Hong Kong, Panama, Luxembourg, Switzerland, and Monaco. An international juridical instrument, the Vienna Convention of December 1988, signed by more than 100 states, has proven useless against drugs because it was not ratified. World personalities, such as Washington Mayor Marion Barry, violinist Eugene Fodor, actor Sammy Davis, actress Drew Barrymore, athlete Ben Johnson, and many personalities in our countries have fallen victim to this scourge and have become involved in drug trafficking. Millions of children are being born addicted to cocaine because their parents are users.

Countries, Colombia for instance, have been forced to declare total war on drug trafficking. In this country, Medellin Cartel bosses have been eliminated. Their fortunes have been estimated in the billions of dollars. The extradition treaty with the United States, which over the past six months has sent 12 Colombians to appear before U.S. authorities, has been reactivated.

In Colombia, the strategic war on drug trafficking has been successful. The raw material produced in Peru and Bolivia is processed in Colombia. Bolivia and Peru apply different strategies. In Bolivia, 400,000 people are engaged in planting and harvesting coca. The country receives $600 million. In Peru, the coca economy represents 37 percent of its foreign trade. There are 200,000 hectares planted and four annual crops. For this reason, Peru and Bolivia have presented the need for an alternate economy. If the planting of coca is stopped, 400,000 Bolivians would be left without jobs and their incomes would be reduced to 20 percent of what they are now. President Garcia has demanded international aid for new alternate agricultural crops with guaranteed prices. He has insisted on the necessary overall relationship

between Latin American trade and that of the United States, a country that at present is just another model of dependent capitalist accumulation of money, where the value of our raw materials decreases and the price of the manufactured products we import increases.

Colombia has demanded a fair price for its exports, particularly coffee, fruit, flowers, and textiles, and the elimination of tariff barriers by the United States. In Colombia, there are 30,000 hectares of coca plantations, some of them near the border with Venezuela. As happens in the other countries, it is more profitable for peasants to plant coca and marijuana than to plant other products. A U.S. Government decision has caused Colombia to lose more than $400 million in July as the result of lower coffee prices alone. For this reason, two strategies were evident at the summit. While the United States has stressed repression, Latin America has stressed the importance of socio-economic treatment of the problem. This is why the debt cannot be separated from a solution of the drug problem. The $26 million in military aid for Bolivia, Colombia, and Peru is not enough. It is necessary to have a fresh outlook on international economic relations, particularly those between the United States and Latin America.

Venezuela has attached special importance to the drug problem. Venezuela is not a producing country, but the consumption of drugs has gradually been interfering with our structures. The country demands direct action. For this reason, our foreign minister said: We are signatories of the Geneva Convention on banning the trafficking and consumption of drugs. We will participate in a Latin American summit of regional organizations and the United Nations, so, through multilateral juridical instruments and beyond economic, social, and political implications, our country can participate in a struggle that is not national or regional, but universal. Good night.

10,000 Protest Government Economic Policies

PA1602042490 Madrid EFE in Spanish 0225 GMT 16 Feb 90

[Text] Caracas, 15 Feb (EFE)—At least 15 people were wounded, one seriously, during clashes today between police and 10,000 people who protested in Caracas against the government's economic policies.

The police department reported that clashes took place early this evening when student groups threw incendiary bombs at police patrol units. The display windows of some stores, in the center of Caracas, were broken and the stores were then looted.

Police forces shot pellets at the demonstrators and wounded at least 15 people, four were taken to Vargas Hospital and five were taken to the University Hospital. The other six were taken to different medical centers.

Vargas Hospital sources reported to EFE that one of the wounded is a 56-year-old man with chest injuries. The rest of the wounded are students between the ages of 14 and 20.

The demonstration started at 2100 GMT and approximately 10,000 people participated in protesting against the economic policies of President Carlos Andres Perez' government.

Antonio Rios, the president of the Confederation of Workers of Venezuela (CTV), the biggest union in the country, delivered the main speech at the demonstration and said that the "presence of workers in the streets was necessary to protest agreements that were made behind the people's backs by government and company representatives."

Demonstrations against the government's economic policies were also held today in the cities of Maracaibo, La Guaira, Valencia, San Cristobal, Barquisimeto, Los Teques, Puerto Ordaz, and Maracay. No incidents were reported in these cities.

President Andres Perez Views Regional Issues

PM1502161490 Barcelona LA VANGUARDIA in Spanish 21 Jan 90 pp 10-11

[Interview with President Andres Perez by Alberto Miguez in Caracas; date not given]

[Excerpt] [Passage omitted] [Miguez] The overall situation in Latin America has gravely deteriorated over the past few years. Do you deem this assessment to be correct?

[Perez] Not exactly. The eighties were certainly the most contradictory and spectacular decade of the century, also for our continent. For the first time, there are democratic governments in all its countries, and this is undoubtedly spectacular progress. Of course, in the economic sphere there was a grave setback; a crisis that caused the destruction of some economies. Almost all the continent's countries regressed 15 years in the field of production and even in their living standards. This contradiction is tremendous and is giving rise to very delicate situations...

[Miguez] The "big stick" policy also seems to have returned...

[Perez] Yes, we are again disturbed by a phenomenon that we believed to have been eradicated—U.S. interventionism. The invasion of Panama was extremely grave...

[Miguez] What was your reaction to Europe's silence with respect to this event?

[Perez] There were exceptions—Spain was one of them—but it did not surprise me unduly. Europe still views the Latin Americans from a colonial standpoint. This was demonstrated during the Malvinas conflict, which paradoxically represented a "reunion" for the

Latin Americans, because we realized that all that talk about "Latin America for the Latin Americans," the hemispheric pact, and alliances between North and South was sheer humbug. The Malvinas business helped us discover what is obvious: On the one side there was NATO and on the other side the Warsaw Pact. Now I am no longer certain that the Pact will survive. I have sometimes said that if the USSR did not exist, perhaps it would have to be invented to create some balance worldwide.

[Miguez] So this balance could be breaking down...

[Perez] Yes, we are experiencing a revolutionary time, in the best sense of the term; and in the case of Latin America, the situation is economically and socially regressive—a result of the far-reaching worldwide upheaval...

[Miguez] Despite everything, you are still optimistic...

[Perez] Yes. The Cubans have a saying, which I learned in Havana when I was living there in exile during the dictatorship of Perez Jimenez: "Things are becoming so bad that they are very good." That will happen in Latin America. I have an optimistic view of human evolution: We do not go back; we go forward. All problems—drugs, the foreign debt, the absurd U.S. policy with respect to Latin America—have a solution... Matters must be allowed to take their course.

[Miguez] Of course, but in 100 years' time we will all be dead... For the present we can be sure of some things; for instance, that certain bodies such as the OAS or pacts such as the Inter-American Reciprocal Assistance Treaty have been useless or almost useless. Do you agree?

[Perez] I agree to some extent. Interdependence is a reality, which not even the Americans can forget—or rather, they less than anybody. And gradually, with difficulties, a consensus is taking shape in Latin America. This became clear during the invasion of Panama, and the same happened more recently, when the Americans sent the fleet to blockade Colombia's Caribbean coast.

[Miguez] How do you explain the U.S. Government's latest actions?

[Perez] On a good many occasions I have said this in U.S. universities: There is a historical "misunderstanding." The Americans sincerely believe that they are assisting democracy in Latin America through actions such as that in Panama. They do not listen to us; they underestimate us. They believe they are entitled to use force when it suits them, and they refuse to act as partners, as allies. They resolve problems, our problems—which are also theirs—in their own way.

[Miguez] Do you believe they are also acting in this way in the case of the struggle against drug trafficking?

[Perez] It certainly seems inconceivable that, following the atmosphere created throughout the continent by the invasion of Panama, it should have occurred to them to send the fleet off Colombia's coasts without previously reaching an agreement with the Colombian Government, without involving it in this preventive action—which was perhaps necessary... It is the manners which are lacking, but not just manners. For instance, in the case of drugs, the view the U.S. public has of this problem is that it is we Latin Americans who are poisoning the United States with "our" drugs. They are not even able to place or identify the coca producing countries: They tar them all with the same brush. Moreover, without the demand, there would be no supply or production. The U.S. role as a financier and consumer of drugs is of prime importance in the drug-trafficking process.

[Miguez] Are you in favor of the so-called "legalization" of drugs?

[Perez] That is a debate taking place at the scientific and academic level, but which makes no sense in the face of a dramatic and terrible reality that affects us all. To "legalize" drugs would be a grave mistake, and it is nonsense to compare the current situation with the prohibition era.

[Miguez] Is the battle against drug trafficking being won or lost?

[Perez] Here, too, I am optimistic, because the problem is becoming so grave that the time has come when there is universal—and not just verbal—political consensus on the measures that should urgently be adopted. Drugs are no longer a problem for just Peru or for Turkey; they are a problem for everybody. The problem in our countries is that we must combat drug production at a time of grave economic crisis, with a foreign debt that is crushing us...

[Miguez] And whose resolution is not just around the corner...

[Perez] But it is much closer than six years ago, for instance. The stances adopted by the international financial institutions at that time allowed no hope. There are considerable differences between the Baker plan and the Brady plan. For the present, the industrialized and creditor countries, which claimed to be unconnected with the problem, have accepted their shared responsibility. The IMF has more flexible views. The continent's countries have concluded that they could not continue to allow themselves to be carried away by illusions. The experience of Brazil or Argentina with refinancing was terrible. Now Mexico, which has readopted this kind of solution, has done so very cautiously and, despite the difficulties which it is experiencing, this country is making progress. Venezuela is following the same course.

[Miguez] Has Spain's role in Latin America increased over the past few years, or has it perhaps been reduced by Spain's joining the EC?

[Perez] Many people feared that Spain's joining the EC would mean the loss of a certain viewpoint about Latin America's importance. I believe that initially this was indeed the case. When your country joined the EC, there was a loss of objectivity, of interest in Latin America and its problems... It was natural. But now that this initial stage is over, the Spanish Government and people must realize their enormous prospects here in Latin America and the fact that their future also depends on our countries' future. It would be regrettable if they did not realize this...

[Miguez] The great change that is occurring in the East European countries means the opening up of a large potential market for the West. Will this sideline Latin America?

[Perez] It is possible that—as is happening now—the interest of the United States and Europe will initially be diverted to the East Bloc countries. But there is no reason to play for short-term stakes. Our countries as a whole are also a colossal market, as well as a highly important source of resources: We own more or less half the planet's resources. It would be crazy if the industrialized world forgot us.

[Miguez] Last 27 February, Caracas experienced a real nightmare of violence and death. Thousands of people took over the city, robbed stores and businesses of every kind, and clashed with the police and the Army. The toll of dead and injured was very high. The situation, some people in Venezuela say, is now similar to what it was at that time. Do you deem a repetition of those barbarous excesses to be possible?

[Perez] In the first place, the situation is not at all the same. What happened in February was the result of a buildup of tensions in a country accustomed to an easy life. Because, do not forget that Venezuela was a country that, thanks to the oil boom and its enormous resources, had never had problems lasting more than a few days. The oil revenue covered any eventuality or shortfall, but at the beginning of last year, when the presidency had recently been taken over, there was a very rude awakening: The people, the politicians—everybody—realized at that time that the crisis could no longer be resolved by having recourse to the easy expedient of oil. And the explosion occurred.

[Miguez] Nobody was expecting it. Perhaps you were not expecting it, either...

[Perez] They were, of course, very hard days for everybody, but the phenomenon was also exaggerated by such a direct medium as television, which constantly broadcast the images of barbarism and destruction to the whole world. And the truth is that the incidents—which were extremely grave; nobody disputes this—were confined to the city of Caracas; they did not reach the rest of the country. Moreover, the explosion of violence occurred when we were experiencing a tremendous police crisis, when the policy were virtually in revolt, and this undoubtedly greatly hampered the prevention and suppression of the excesses. That is why the Army had to intervene and exceptional measures had to be adopted.

[Miguez] You said that what happened in Caracas could have happened in any other Latin American city...

[Perez] Yes, what happened here at that time could have happened in Sao Paulo, Mexico City, Lima, Buenos Aires... Moreover, very similar phenomena occurred in some of these cities before or afterward. These events serve to reveal what lies at the heart of the Latin American situation; the depth and gravity of the crisis that we are experiencing—something which is certainly not always clearly perceived abroad.

[Miguez] Do conditions now exist for a repetition of a phenomenon of this kind?

[Perez] Over the past few months we have tried to make in-depth transformations in the country. Reforms of this kind have a very high price, which everybody must pay. The transformation of the country, which we began a year ago, will not be exactly easy, and will even entail a change in the idea of political leadership. Even the political parties themselves will have to pay a high price for this transformation, and indeed they are already paying it... All this is reflected in the news media and in certain sections of the public, and this explains a certain pessimism in the criticism and diagnosis of the situation.

Government Accepts 4 Basques From Nunciature

PA1602051590 Paris AFP in Spanish 0246 GMT 16 Feb 90

[Text] Caracas, 15 Feb (AFP)—It was reported today at the Miraflores Presidential House that Venezuela has accepted the four ETA [Basque Fatherland and Liberty] members who sought refuge at the Apostolic Nunciature in Panama after the United States invaded Panama in December.

The Basque members, who had lived as exiles in Panama, sought refuge at the nunciature after the United States invaded Panama on 20 December. General Manuel Noriega's presence at the same place caused this event to go by practically unnoticed.

A message from the Apostolic Nuncio Jose Sebastian Laboa to Venezuelan President Carlos Andres Perez was released today. The prelate thanked the Social Democratic leader for "this gesture of sovereign acquiescence and (...) for receiving the four former ETA members in this great Bolivarian nation."

The Venezuelan Government did not comment. In the past years, Venezuela, Panama, and the Dominican Republic have accepted ETA activists who were based in Algeria.

Suriname

Bouterse Quits Peace Accord Negotiation Efforts

FL1502132590 Bonaire Trans World Radio in English 1130 GMT 15 Feb 90

[Text] Suriname's military leader Desi Bouterse has quit his efforts to negotiate a peace accord with Bush Negro rebels. He cited government interference, in his statement yesterday accusing them of withholding essential information on the peace process and of not responding to the plan he worked out with rebel leader Ronnie Brunswijk for normalizing life in eastern Suriname. The military leader was also critical of the National Assembly.

Brunswijk 'Regrets' Break

FL1502183090 Paramaribo International Service in English 1730 GMT 15 Feb 90

[Text] The leader of the Jungle Commando, Ronny Brunswijk, regrets the fact that Army leader Bouterse has stopped his negotiations with illegal armed groups. Bouterse gave back his mandate to negotiate with illegal armed groups in the country to President Ramsewak Shankar yesterday.

Brunswijk said that he and Bouterse had reached mutual confidence in concrete proposals for a definite cease-fire that had already been made. The package of proposals is in relation to the normalization of the situation in the war areas, the creation of jobs in the interior, and the repatriation of refugees from French Guiana. The professional training of rebels and the following dismantling of the illegal armed groups had also been discussed in the list of proposals of the military authority.

Jungle Commando leader Brunswijk hopes that the government takes the right decision in order to accomplish a strongly desired peace. He has called on the highest authorities in the country to give clarity on what is going to happen next, within a short time.